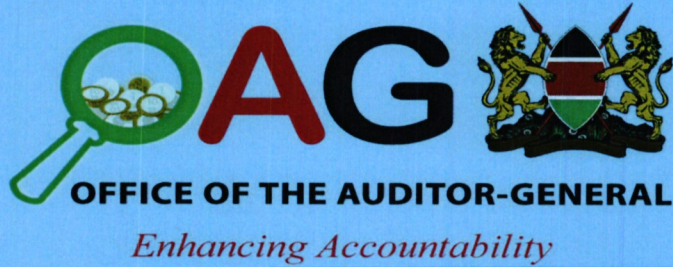


REPUBLIC OF KENYA



**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 04 AUG 2021

DAY: Wednesday

**OF**

TABLED  
BY:

Majority Whip

CLERK AT  
THE TABLE

Getnede chebet

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL COUNCIL FOR  
PERSONS WITH DISABILITIES**

**FOR THE YEAR ENDED  
30 JUNE, 2019**





OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
**REGISTRY**

26 MAR 2020

**RECEIVED**

---

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2019**

---

**Prepared in accordance with the Accrual Basis of Accounting Method under the International Public  
Sector Accounting Standards (IPSAS)**



*Launch of NCPWD Strategic Plan 2018-2022 at the Kenya Institute of Curriculum Development*



*Tree Planting Exercise at Ontulili following a Presidential Directive on increase of forest cover*



*Registration of Persons with Disabilities during the Beyond Zero Medical Safari, West Pokot County*



*Equipping of classrooms at Ogande Special School, Homabay County*

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**Table of Content**

**Page**

I. KEY ENTITY INFORMATION AND MANAGEMENT .....	iii
II. THE BOARD OF DIRECTORS .....	vi
III. THE BOARD OF TRUSTEES .....	viii
IV. MANAGEMENT TEAM.....	x
V. CHAIRMAN'S STATEMENT .....	xiv
VI. REPORT OF THE EXECUTIVE DIRECTOR .....	xvi
VII. CORPORATE GOVERNANCE STATEMENT.....	xviii
VIII. PERFORMANCE CONTRACT REPORT .....	xxvii
IX. MANAGEMENT DISCUSSION AND ANALYSIS.....	xxx
X. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING .....	xl
XI. REPORT OF THE DIRECTORS.....	xlii
XII. STATEMENT OF DIRECTORS' RESPONSIBILITIES.....	xliii
XIII. REPORT OF THE INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS OF THE NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES.....	xliv
XIV. STATEMENT OF FINANCIAL PERFORMANCE.....	1
XV. STATEMENT OF FINANCIAL POSITION.....	2
XVI. STATEMENT OF CHANGES IN NET ASSETS.....	3
XVII. STATEMENT OF CASH FLOWS .....	4
XVIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS.....	5
XIX. NOTES TO THE FINANCIAL STATEMENTS .....	6
XX. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS .....	27
XXI. APPENDIX 1: INTER-ENTITY TRANSFERS .....	28
XXII. APPENDIX 2: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES	

# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## Annual Report & Financial Statements FY 2018/2019

### I. KEY ENTITY INFORMATION AND MANAGEMENT

#### a) Background information

The National Council for Persons with Disabilities, (NCPWD), is a non-commercial State Agency established in 2004 by an Act of Parliament (Persons with Disabilities Act, 2003). NCPWD is under the Ministry of Labour and Social Protection. The Council is headed by a Board of directors drawn from key government Ministries and organization of/for persons with disabilities. The day to day running of the Council is conducted by the Secretariat headed by Executive Director. The Council works in collaboration with government Ministries, Departments and Agencies. It also works with institutions, associations and organizations of and for persons with disabilities in its endeavor to promote and protect the rights of persons with disabilities' agenda in development.

#### Our Vision

“A barrier free society for Persons with Disabilities”

#### Our Mission

“To promote and protect equalization of opportunities and realization of human rights for PWDs to live decent livelihoods”

#### Our Core Values

##### 1. Inclusivity

The Council is dedicated to all its stakeholders regardless of their diversity.

##### 2. Human dignity

The Council believes that our clients are worthy of honour/respect. We act with self-esteem, impartiality, politeness, respect and courtesy to clients at all times.

##### 3. Equality and equity

We uphold fairness and impartiality for all irrespective of gender, region, socio-cultural background and marital status.

##### 4. Integrity

We will uphold the highest ethical standards, demonstrating honesty and fairness in all our operations at all the levels of the Council

##### 5. Results Oriented

We focus on achieving our objectives as set in all operations. We will uphold competence, high standards, reliability and excellence in our work.

#### b) Principle activities

The Council derives its mandate from the Persons with Disabilities (PWD) Act, 2003 which established it and outline its core functions as follows:

1. To issue adjustment orders under Section 24 of The Persons with Disabilities Act, 2003.
2. To formulate and develop policies designed to achieve equal opportunities for persons with disabilities, to rehabilitate persons with disabilities, protect and promote their rights.
3. To cooperate with the government during national census to ensure that accurate figures of PWDs are established in the country for purposes of planning.
4. To recommend measures to prevent discrimination against persons with disabilities.
5. To register persons with disabilities, institutions, associations and organizations where services are provided for them.
6. To provide assistive devices and other equipment to persons with disabilities

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)**

7. To pay stipend to persons with severe disabilities and are therefore not trainable in any skills disabilities.
8. To carry out measures for public information on the rights of persons with disabilities and the provisions of the PWDs Act.

**c) Key Management**

The day to day management of the affairs of the Council is run by:

- Board of Directors
- Executive Director as the Accounting Officer
- Heads of Departments and
- County Disability Service Officers

**d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2018 and who had direct fiduciary responsibility were;

1. Executive Director – Hon. Mohammed H. Gabbow
2. Assistant Director Finance & Accounts/Ag. Deputy Director – Catherine Wameyo
3. Assistant Director Disability Services - James Ndwiga
4. Assistant Director Disability Services – Emily Limisi
5. Chief Human Resources Officer – Ruth Ruraa
6. Chief Legal Officer – Vincent Akarah
7. Chief Public Relations Officer – Francis Anyenda
8. Chief Finance & Accounts Officer – Anne Kagwi
9. Supply Chain Management Officer - Naom Ongwae
10. Senior Programmes Officer – Rosabel Githinji
11. Senior Internal Auditor- Andrew Manyara

**e) Fiduciary Oversight Arrangements**

The board has established five committees of the board to provide fiduciary oversight on management.

1. The Finance, Human Resource and Administration Committee
2. Audit and Risk Committee
3. Programmes and Technical Committee
4. Board of Trustees

**f) Registered Offices**

National Council for Persons with Disabilities  
Waiyaki Way  
P.O. Box 66577-00800  
**Nairobi, Kenya**

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)**

National Council for Persons with Disabilities  
Mountain View Office  
House No. 195  
P.O. Box 66577-00800  
**Nairobi, Kenya**

**g) Entity Contacts**

Tel: +254-20-2375994, 254-20-2314621, 0709-107000, 0800-724333  
E-mail: [info@ncpwd.go.ke](mailto:info@ncpwd.go.ke)  
[director.ncpwd@africaonline.co.ke](mailto:director.ncpwd@africaonline.co.ke)  
Website: [www.ncpwd.go.ke](http://www.ncpwd.go.ke)

**h) Principal Bankers**

Kenya Commercial Bank  
Sarit Centre Branch  
P.O. Box 14959  
**NAIROBI**  
Tel: +254-20-3747576  
Fax: +254-20-3747576

**i) Independent Auditors**

Auditor General  
Office of Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084-00100  
**Nairobi, Kenya**  
Tel: +254-20-335777  
Fax: +254-20-330829

**j) Principal Legal Adviser**

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
**Nairobi, Kenya**

# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## Annual Report & Financial Statements FY 2018/2019

### II. THE BOARD OF DIRECTORS

Peter Muchiri		Non-Executive Chairperson	
	Date of Birth:	1973	
	Key Qualifications:	Diploma in Business Management (Utalii College); Certificate in Leadership and Integrity (National Democratic Institute)	
	Work Experience:	He is a proprietor of Marriotes Investments and the National Chairman of League of Persons with Disabilities.	
Dr. Habiba H. Mohamed		Independent Non-Executive Director	
	Date of Birth:	1977	
	Key Qualifications:	Post graduate Certificate in Aviation Medicine, King's College London, UK Master of Science in Public Health, Jomo Kenyatta University of Agriculture & Technology Bachelor of Medicine and Surgery (MBChB), University of Glasgow, UK	
	Work Experience:	She is a Consultant, Health Specialist CARE Somalia, General Practitioner and Aviation Medical Examiner. She has previously worked at the Department for International Development (DFID/ UK AID) Somalia as a Health Adviser and has over 15 years' experience in medicine as a general practitioner and health advisor.	
Samuel Ochieng Odawo		Independent Non-Executive Director	
	Date of Birth:	1980	
	Key Qualifications:	Master of Arts in management of special education in developing countries, University of Birmingham, United Kingdom Bachelor of Education Arts (Special Education and French), Kenyatta University	
	Work Experience:	He is a Consultant in Special Educational Needs and Disabilities; he has previously worked at the Royal National Institute of Blind People - the Online Today Program Evaluation Volunteer. He has over 14 years' experience.	
Njeleka Ashura Michael		Independent Non-Executive Director	
	Date of Birth:	1993	
	Key Qualifications:	Bachelor of Arts in Gender and Development, University of Nairobi. Diploma in Law, Inoorero University Certificate in Civil Leadership, University of Illinois USA	
	Work Experience:	TV host -The Handshake with Ashura (Signs TV), previously worked as Co-Chair Global Partnership on Children with disabilities -UNICEF, Project Coordinator, Voluntary Service Overseas. She has over 7 years' experience.	

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**Comm. Simon Joni Ndubai Independent Non-Executive Director**



Date of Birth:	1959
Key Qualifications:	Bachelor of Commerce, Poonal University, India
Work Experience:	He is the former Vice Chairman of the National Gender and Equality Commission, previously worked as a Senior Internal Auditor at Kenyatta National Hospital. His skills and expertise include Finance, Accounting and Audit. He has over 30 years' experience.

**Muthiru McRalph Chege Independent Non-Executive Director**



Date of Birth:	1948
Key Qualifications:	Bachelors of Economics/Sociology, University of Nairobi
Work Experience:	Mr. Chege is the Director Programmes, Autism Society of Kenya. He has previously served as Director of Small-Scale Business at National Council of Churches of Kenya. He brings to the board expansive experience which will be a resource the Council will tap into.

**Eng. Sarbo Hassan Marsa Independent Non-Executive Director**



Date of Birth:	1960
Key Qualifications:	Bachelor of Science in Agriculture Engineering, Jomo Kenyatta University of Agriculture & Technology
Work Experience:	Mr. Marsa has previously served as District Agricultural Officer / District Environment and Land development Officer for over 25 years. His leadership and management experience will be of great value to the Council board

**Mr. Benson Mugambi Non-Executive Director**



Date of Birth:	1961
Key Qualifications:	Bachelor of Arts (Public Administration), University of Nairobi. Master of Arts (International Studies), University of Nairobi. Strategic Studies, National Defence College.
Work Experience:	Career Civil Servant in Public Administration at both field and National levels for the last 30yrs and currently the Director of Administration at State Department of Social Protection.

**Mohammed Hussein Gabbow Executive Director**



Date of Birth:	1967
Key Qualifications:	MBA Global Business and Sustainability, Universita Cattolica Del Sacro Cuore, University of Nairobi MA Sociology, University of Nairobi Bachelor of Arts degree in Sociology from Moi University
Work Experience:	He is the Executive Director of National Council for Persons with Disabilities. He has over 20 years' experience serving in various leadership capacities



# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## Annual Report & Financial Statements FY 2018/2019

### III. THE BOARD OF TRUSTEES

Samson Mpapayiai Tipape		Independent Non-Executive Chairperson
	Date of Birth:	1977
	Key Qualifications:	Masters of Science in Governance and Leadership Bachelor of Business Management (HRM) Higher Diploma in Human Resource Management Diploma in Personnel Management
	Work Experience:	He is the former Member of County Assembly, Kajiado County. Previously worked at the NCPWD (2011 to 2013) as Head of Human Resource.
Abdia Abdi Abkula		Independent Non-Executive Director
	Date of Birth:	1978
	Work Experience:	Worked as a PWD representative at the National Government Affirmative Action Fund (NGAAF) and a Civic Educator for Pastoralist Women for Health and Education in Isiolo County
Johnstone N Mutua		Independent Non-Executive Director
	Date of Birth:	1988
	Key Qualifications:	Diploma in Information Technology (IT)
	Work Experience:	He is currently an ICT Systems officer at Riara Group of Schools, Nairobi.
Abdulhakim Ware Shehe		Independent Non-Executive Director
	Date of Birth:	1987
	Key Qualifications:	Diploma in Special Inclusive Education
	Work Experience:	He is currently a Board Member at Hola Municipality Council and Chairperson at Jenga Jamii CBO. Was a former Civic Educator at Muslims for Human Rights (MUHURI), Tana River County.
Susan Mutungi		Independent Non-Executive Director
	Date of Birth:	1960
	Key Qualifications:	Master's Degree in Social Work Bachelor of Arts
	Work Experience:	She is currently the Deputy Director for Social Development at the Ministry of Labour and Social Protection that deals with community development programmes that includes PWDs, Older persons and Families. She has over 30 years' experience

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

<b>Peter Muchiri</b>		<b>Independent Non-Executive Director</b>	
	Date of Birth:	1973	
	Key Qualifications:	Diploma in Business Management (Utalii College); Certificate in Leadership and Integrity (National Democratic Institute)	
	Work Experience:	Currently the Chairperson of the National Council for Persons with Disabilities. He is a proprietor of Marriotes Investments and the National Chairman of League of Persons with Disabilities.	
<b>Mohammed Hussein Gabbow</b>		<b>Executive Director</b>	
	Date of Birth:	1967	
	Key Qualifications:	MBA Global Business and Sustainability, Universita Cattolica Del Sacro Cuore, University of Nairobi MA Sociology, University of Nairobi Bachelor of Arts degree in Sociology from Moi University	
	Work Experience:	He is the Executive Director of National Council for Persons with Disabilities. He has over 20 years' experience serving in various leadership capacities	

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**IV. MANAGEMENT TEAM**

**Mohammed Hussein Gabbow**



Designation	Executive Director
Date of Joining	October 2014
Key Qualifications	Master's degree in Sociology Bachelor's degree in Sociology Certificate in Strategic Leadership Development Programme

**Catherine Amunga Wameyo**



Designation	Assistant Director Finance & Accounts/ Ag. Deputy Director – Corporate Services
Date of Joining	August 2009
Key Qualifications	Master of Business Administration (finance) Diploma in Computer Studies. Certified Public Accountant <b>ICPAK No. 8964</b> Certificate in Strategic Leadership Development Programme Certificate in Senior Management Course

**James Kariuki Ndwiga**



Designation	Assistant Director, Disability Services/ Ag. Deputy Director – Disability Services
Date of Joining	September 2010
Key Qualifications	Master of Business Administration (MBA) Strategic Management Bachelor of Economics and Sociology, Diploma in Organization Development by Organization Capacity Improvement Consultants Certificate in Strategic Leadership Development Programme Certificate in Senior Management Course

**Emily Zindoli Limisi**



Designation	Assistant Director, Disability Services
Date of Joining	Diploma in Special Inclusive Education
Key Qualifications	Masters of Science human resources management Bachelor of Education (Arts) Higher Diploma: Human Resource Management <b>IHRM No. 8249</b> Certificate in Strategic Leadership Development Programme Certificate in Senior Management Course

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**Ruth Ruraa**



Designation	Chief Human Resource Officer
Date of Joining	October 2014
Key Qualifications	Master's degree in International Studies Bachelor of Arts degree in Government Administration and Linguistics <b>IHRM No. 6034</b> Certified Public Secretary Part I Certified Human Resource Professional II Certificate in Strategic Leadership Development Programme Certificate in Senior Management Course

**Vincent K.B. Akarah**



Designation	Chief Legal Officer/ Ag. Company Secretary
Date of Joining	April 2017
Key Qualifications	Bachelor of Law (LLB) Bachelor of Arts (BA) Diploma in Law Certified Public Secretary <b>ICSPK No. 1479</b> Certificate in Strategic Leadership Development Programme

**Anne Muthoni Kagwi**



Designation	Chief Finance & Accounts Officer/Ag. Assistant Director Finance & Accounts
Date of Joining	October 2010
Key Qualifications	Master of Business Administration (finance) Bachelors of Business Administration (finance & Accounts) Certified Public Accountant <b>ICPAK No. 9558</b> Certificate in Senior Management Course

**Francis Asiema Anyenda**



Designation	Chief Public Relations Officer
Date of Joining	October 2012
Key Qualifications	Bachelor of Information Science Post Graduate Diploma in Mass Communication Certificate in Senior Management Course

**Naom Ongwae**



Designation	Supply Chain Management Officer
Date of Joining	May 2012
Key Qualifications	Bachelor of commerce in Procurement and Supply Chain Management Diploma in Purchasing and supplies management <b>KISM No. 67149</b> Certificate in Senior Management Course

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**Andrew Kathurima Manyara**



Designation	Senior Internal Auditor
Date of Joining	May 2019
Key Qualifications	Bachelor of Commerce (Accounting) Certified Public Accountant <b>ICPAK No. 20015</b> Member of Institute of Internal Auditors <b>Member No. 2013172</b>

**Rosabel Wanjiku Githinji**



Designation	Senior Disability Services Officer/ Ag. Assistant Director Disability Services
Date of Joining	May 2012
Key Qualifications	Master of Social Practice (Honours) Bachelor of Arts in Social Sciences (Economics and Sociology) Diploma in Project Management Certificate in Senior Management Course

**Winifred Wairimu Mbugua**



Designation	Senior Disability Services Officer
Date of Joining	February 2010
Key Qualifications	Masters of Management Information System. Bachelor of Information Technology Diploma in Information -Systems Analysis and Design <b>CSK No. 115843</b> <b>CSCO No. 11680124</b> Certificate in Senior Management Course

**Alexander Parsaloi Munyere**



Designation	Disability Services Officer
Date of Joining	December 2014
Key Qualifications	Bachelor's Degree in Special Education Certificate in Senior Management Course

**Joseph Maina Mwangi**



Designation	Senior Economist
Date of Joining	May 2012
Key Qualifications	Bachelor of Arts in Economics Certificate in Senior Management Course

**Daniel Njuguna**

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**



Designation	IT Officer
Date of Joining	October 2013
Key Qualifications	Bachelor's Degree in Computer Applications Diploma in Computer Studies. A++; N++ <b>CSK No. 115842</b> Certificate in Senior Management Course

# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## *Annual Report & Financial Statements FY 2018/2019*

### V. CHAIRMAN'S STATEMENT



I am pleased to release the Annual Report and Financial Statements for the National Council for Persons with Disabilities for the period 2018/19. The period under review was a critical year for the Council. First and foremost, the Cabinet Secretary for Labour and Social Protection appointed a new Board of Directors to manage the affairs of the Council. The Cabinet Secretary also appointed a Board of Trustees whose mandate is to administer the National Development Fund for Persons with Disabilities. The new Board members were inducted to understand the functions of the Council and their role as Board members as provided for in Mwongozo. The Induction trainings were conducted by State Corporation Advisory Committee (SCAC) and Institute of Certified Secretaries (ICS).

This being the first Annual Report and Financial Statements released under my stewardship as the Chair of the Board, I am pleased to report that during the period, the Board and the secretariat continued to work harmoniously as a team in promoting inclusion and equal opportunities for persons with disabilities in the Country. This was achieved through the continued support by the Government of Kenya and our partners at national and county government levels.

On the legal front, I am pleased to report that the proposed Persons with Disabilities Amendment Bill 2018 was presented to the cabinet in August 2018 for approval. The same was referred to the Ministry of Labour and Social Protection for aligning the proposed National Development and Empowerment Fund for Persons with Disabilities with the Public Finance Management Act 2012. The Council jointly with the Ministry of Labour and Social Protection made a memorandum of justification of the Fund to the Cabinet Secretary, National Treasury who has since directed the State Department of Social Protection to review the proposed Bill before establishment of the Fund.

Another key milestone of the Council during the year was the launch of the Council's Strategic Plan for the period 2018-2022. The Strategic Plan identifies four Key Results Areas (KRAs) as pillars upon which monitoring and reporting of the Council's operations will be done. These are: Data and Statistics on Persons with Disabilities; Empowerment of Persons with Disabilities; Disability Mainstreaming; and Organizational Capacity Strengthening. Our strategic directions for the next five years will therefore focus on generating, maintaining and disseminating reliable information on persons with disabilities in Kenya; empowering persons with disabilities for effective participation in all spheres of life; promoting mainstreaming of disability in all sectors of society; and strengthening the Council's capacity for effective and efficient service delivery.

At national level it is important to note that data and statistics on persons with disabilities is critical for planning and allocation of resources and ultimately providing services that address specific needs of persons with disabilities. It is in this respect that during the year, the Council partnered with the Kenya National Bureau of Statistics to ensure that the forthcoming Kenya Population and Housing Census captures comprehensively data on persons with disabilities. Within this partnership the role of the Council was to ensure that tools developed are not only able to capture adequately data on disability but are also sensitive to disability issues. As a result of this, we are envisaging that at the end of the exercise we will be able to have actual data and statistics of persons with disabilities in Kenya.

At the international level, we continued to work with various agencies to ensure that Kenya achieves the Country's obligations as provided for in the international conventions. The Council participated in the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) Conference of State Parties in New York between 10<sup>th</sup> and 14<sup>th</sup> June 2019. The theme of the conference was "Ensuring the Inclusion of Persons with Disabilities in a changing world through the implementation of the Convention on the Rights of Persons with Disabilities"

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
***Annual Report & Financial Statements FY 2018/2019***

**CHAIRMAN'S STATEMENT (CONTINUED)**

Further, during the year, two (2) members of staff participated in the 40<sup>th</sup> UN Human Rights Council held in Geneva, Switzerland. During the Conference, the Report from Kenya was read by Ikponwosa Ero, the UN Independent Expert on the enjoyment of Human rights by Persons with Albinism. The report was based on the findings of the expert's visit to Kenya.

As the new Board settles down, I wish to assure all persons with disabilities and other stakeholders of our commitment to serve them and enhance their inclusion in all spheres of life.



**Peter Muchiri**  
**Chairman**

**VI. REPORT OF THE EXECUTIVE DIRECTOR**



It gives me great pleasure to present the Annual Report and Financial Statements for the National Council for Persons with Disabilities for the Financial Year 2018/2019. It is also worth noting that the National Council for Persons with Disabilities draws its mandate from the Persons with Disabilities Act 2003.

I am also pleased to note that during the period, the Council operated and discharged its functions with a full Board following the gazettelement of the Board of Directors and Board of Trustees by the Cabinet Secretary in charge of Labour and Social Protection.

It is also gratifying to note that, in implementing our programmes, the Council also aligned its programmes to key government policy direction. Key among these was the Big Four Agenda, which include Manufacturing, Health, Housing and Food Security.

During the year, the Council embarked on the migration exercise of beneficiaries from card-based payment to account based model where beneficiaries of cash transfer programme for persons with severe disabilities opened accounts with a bank through which their cash are channelled. The Ministry of Labour and Social Protection contracted four commercial banks to assist in the disbursement of these funds to the beneficiaries. These are: Post Bank, Kenya Commercial Bank, Equity Bank and Cooperative Bank.

This model provided beneficiaries a chance to choose a Payment Service Provider (PSP) of their choice from among the four contracted banks. The new payment model is expected to address challenges previously experienced by the beneficiaries such as long distances travelled to access funds. The model enables beneficiaries to operate a bank account where they can easily make withdrawals from wherever they are and promote the culture of saving amongst the beneficiaries.

It is also gratifying to note that in recognition of the work of the Council as a diverse and inclusive public service institution, the Council received an Award for Diversity and Inclusion from National Diversity and Inclusion Awards and Recognition (DIAR) and the National Cohesion and Integration Commission. The Award is a great morale booster for the staff in recognition of the work we are doing in promoting inclusion of persons with disabilities in Kenya. We hope to redouble our efforts to achieve more going forward.

Further, the year also saw some of our new programmes gain popularity amongst our clients. These programmes included the Tools of Trade and the LPO Financing for persons with disabilities' enterprises. The new programmes have generated a lot of interest from persons with disabilities resulting into increased requests for support.

Another key milestone during the year was the Co-hosting of the Global Disability Summit by the Government of Kenya and the United Kingdom which was held in London in July 2018. The Summit came up with key recommendations which are aimed at promoting inclusion of persons with disabilities.

In the same spirit of partnership, the Council continued to strengthen partnerships with various organizations and institutions with a view of enhancing access to services by persons with disabilities. During the Year, the Council partnered with KCB Foundation for consideration of four (4) students with disabilities for scholarships to join the M-PESA Foundation Academy in 2019. In addition, the second batch of 94 learners with disabilities were identified for sponsorship under the Kenya Pipeline Company (KPC) scholarship programme. This is the third year in a row since the partnership between the Council and KPC to support learners with disabilities. A total of 282 students have benefited since the programme started.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
***Annual Report & Financial Statements FY 2018/2019***

**REPORT OF THE EXECUTIVE DIRECTOR (CONTINUED)**

Further in the year, the Council partnered with Motivation Charitable Trust, United Disabled Persons of Kenya (UDPK) and Kenya Paraplegic Organization (KPO) to implement a programme aimed at enhancing access to employment by persons with disabilities.

The programme entailed training persons with disabilities in job seeking and keeping skills, business information sessions with potential employers and enhancing the Council job placement portal. The programme has also supported a fulltime ICT employee based at the Council to support the ICT department's Job portal for two years.

Despite the achievements gained in the year, the Council continued to experience several challenges. One of the greatest challenges is the inadequate office space for staff. This has greatly affected the performance of the staff in their endeavour to effectively serve persons with disabilities. Besides, some of the offices that the Council occupies in the counties are not accessible to persons with disabilities especially where the offices are in upper floors. Most of these are in the County Commissioners' buildings that were built without consideration of the principles of Universal Design in construction. Some of these buildings don't have lifts forcing our staff to come downstairs to serve the clients from the corridors.

To address these challenges, going forward, the Council intends to continue negotiating with County Commissioners for relocation of the Council offices on the ground floors which are accessible to persons with disabilities.

We will also strive to forge partnerships with various stakeholder's not only in availing office space but also supporting our programmes with a view to reach all persons with disabilities in this country.



**Hon. Mohammed Hussein Gabbow**  
**Executive Director**

## **VII. CORPORATE GOVERNANCE STATEMENT**

Corporate governance entails structures and system of rules, practices and processes by which an organization is directed, controlled and held accountable. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in organizations. It essentially involves balancing the interests of the many stakeholders in an organization. These include its stakeholders, management, customers/clients, suppliers, financiers, government and the community. Corporate Governance sets frameworks for achieving the objectives of the organization, and creates benchmarks for the measurement of corporate performance and disclosure.

The Council is guided by its core values of Inclusivity; Human dignity; Equality and equity; Integrity; Results oriented which underpin the council's decision-making processes. The Council has at all times endeavoured in delivery of its mandate to comply with the relevant legal principles and the highest ethical standards.

### **Principles and guidelines governing the board**

The Council embraces corporate governance regulations, guidelines and principles governing State Corporations, Directors and Staff as provided mainly in the following Acts:

- The various provisions of the Constitution of Kenya
- Persons with Disabilities Act, No. 14 of 2003
- The Public Finance Management Act, No. 18 of 2012
- State Corporations Act, Chap.446 of the Laws of Kenya
- Leadership and Integrity Act, No. 19 of 2012
- The Public Officers Ethics Act 2003,
- The Employment Act, 2007
- Public Audit Act, 2015
- The Public Procurement and Asset Disposal Act, No. 33 of 2015
- Mwingozo – The Code of Governance for State Corporations
- Various Guidelines from Office of the President, the Public Service Commission, Salaries and Remuneration Commission

The Board operates under rules that govern the conduct of individual Directors spelt out in Directors' Code of Conduct to enable them operate effectively and in the best interests of the organization.

The code of conduct requires Directors to: act honestly and in good faith at all times; exercise the highest degree of care, skill and diligence in discharging duties; act in the best interest of the Council; exercise independent judgement at all times; understand and accept the principle of collective responsibility; avoid and disclose conflict of interest; maintain confidentiality of information about the organisation; promote transparency and accountability at board level; devote sufficient time and commitment to carry out their responsibilities and attend to organisation's business and promote teamwork within the Board and the organization.

### **Board Charter**

Board Charter is a critical corporate governance tool that defines the Board's roles and responsibilities as well as functions and structures. This enables Board members to effectively contribute in governance of the Council by facilitating independent judgement, decision making and professional competencies. The charter does not replace or supersede any statutory laws and regulations that govern the Council.

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## **Annual Report & Financial Statements FY 2018/2019**

### **CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

#### **Constitution of the Board of Directors.**

The current Board consists of ten (10) Directors, including the Executive Director. The National Treasury is yet to nominate a representative to the Board. Nine (9) of the Directors including the Chairman are non-executive. The Board of Directors is constituted under Section 4 of the Amended Persons with Disabilities Act, 2003 on the appointment of members of the Council. Each member holds office for a period of three (3) years, and is eligible for reappointment for one (1) more term not exceeding three (3) years. The Board is composed in terms of range and diversity of skills, knowledge, age and experience in various sectors which makes it effective and provides an appropriate balance for the oversight of the Council's mandate. On Constitutional gender threshold, the Board has two (2) women out of nine (9) members.

#### **Role of the Board**

The Board of Directors oversee the activities of the Council by providing strategic direction, control and effective leadership. The main responsibilities of the Board are:

- a. Determine the organization's Mission, Vision, Purpose and Core values;
- b. Set and oversee strategy and approve significant policies of the organization;
- c. Ensuring preparation of the annual and financial statements;
- d. Approve and review the annual budgets of the organization;
- e. Monitor the organization's performance and ensure sustainability;
- f. Ensure availability of adequate resources for the achievement of the organization's objectives;
- g. Approve the organizational structure and hire the Chief Executive Officer and other senior management staff;
- h. Enhance the corporate image of the organization;
- i. Risk management by ensuring that the organization has adequate systems of internal controls together with appropriate monitoring of compliance activities to ensure continuity.

#### **Chairman of the Board of Directors**

The Chairman of the Board is appointed by the President in accordance with Persons with Disabilities Act and Mwongozo (The Code of Governance for State Corporations). The principal role of the Chairman is to provide leadership to the Board. He chairs board meetings, ensures order and proper conduct of meetings, guides the Board's decision-making process and facilitates effective management of the Board, monitor the performance of the CEO and lead the annual Board Evaluation process. He also ensures that the Board is provided with timely and sufficient information to enable it to discharge its duties. He provides quarterly updates on governance matters and any issues thereof to the responsible Cabinet Secretary and SCAC.

#### **Board of Trustees**

The current Board of Trustees consists of seven (7) Trustees including the Executive Director. Six (6) of the trustees including the Chairman are non-executive members. The Board of Trustees is constituted as stipulated in Section 34 of the Persons with Disabilities Act, 2003.

The Board of Trustees administer the National Development Fund for Persons with Disabilities which was established as a permanent Fund under Section 32 of the Persons with Disabilities Act, 2003.

#### **Affairs of the Board of Trustees**

The Board of Trustees conducts its affairs in accordance with Persons with Disabilities (National Development Fund for Persons with Disabilities) (Conduct of Business and Affairs of the Board of Trustees) Regulations, 2009.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

**Board Responsibilities**

The Board of Directors provide leadership and strategic direction to the organization. The Persons with Disabilities Act and the Board Charter define the governance parameters within which the Board exists and operates specific responsibilities of the Board, its committees and Directors collectively, as well as certain roles and responsibilities incumbent upon Directors as individuals.

The Board is charged with the following responsibilities:

- a) Determine the Council mission, vision, purpose and core values
- b) Review periodically the Council strategic objectives and policies
- c) Review, evaluate and approve on regular basis, long term plans for the Council
- d) Review, evaluate and approve the Council budget and capital investments
- e) Ensure that the procurement process is cost effective and delivers value for money
- f) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the Council's operations and performance
- g) Ensure that the effective processes and systems of risk management and internal controls are in place
- h) Monitor compliance with the constitution, all applicable laws, regulations and standards.
- i) Appoint and appraise the Chief Executive Officer and top senior management of the Council

**Directors' Remuneration**

Directors are paid a taxable sitting allowance for every meeting attended, lunch allowance (in lieu of lunch being provided), accommodation allowance and mileage reimbursement where applicable. This is done in accordance with the guidelines provided by State Corporations Act. The Chairman is paid a monthly honorarium. Below is a table on Directors' remuneration individually and collectively.

Name	Category	Sitting Allowance	Daily Subsistence Allowance	Guide to a Board Member	Mileage	Honoraria	Amount
Peter Muchri	Chair, B.O.D	240,000	649,016	352,017	93,334	143,000	1,477,367
Habiba Mohamed	B.O.D	600,000	619,200	-	5,070	-	1,224,270
Simon Ndubai	B.O.D	620,000	895,800	282,000	292,183	-	2,089,983
Muthiru Chege	B.O.D	640,000	844,800	-	106,704	-	1,591,504
Hassan Marsa	B.O.D	540,000	1,118,000	-	880,914	-	2,538,914
Samuel Odawo	B.O.D	640,000	1,180,816	497,517	56,200	-	2,374,533
Ashura Micheal	B.O.D	520,000	258,800	134,000	85,400	-	998,200
Ben Mugambi	B.O.D	300,000	218,400	24,500	-	-	542,900
Samson Tipape	Chair, B.O.T	180,000	200,200	-	-	71,500	451,700
Susan Mutungi	B.O.T	240,000	200,200	-	-	-	440,200
Abdia Abdi	B.O.T	200,000	236,600	-	1,600	-	438,200
Johnstone Mutua	B.O.T	200,000	236,600	70,400	-	-	507,000
Abdulkhakim Shehe	B.O.T	200,000	254,800	77,100	14,000	-	545,900
Mohammed Gabbow	B.O.T	100,000	109,200	-	-	-	209,200
<b>TOTAL</b>		<b>5,220,000</b>	<b>7,022,432</b>	<b>1,437,534</b>	<b>1,535,405</b>	<b>214,500</b>	<b>15,429,871</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

**Declaration of Interest and conflict of interest**

The Directors are obligated to make a written disclosure of any transaction which would constitute a conflict of interest and to abstain from voting when such matters are being considered during the Board meetings. At every meeting of the Board, an agenda item exists which requires members to make declaration of any interest they may have in the business under discussion. The Council confirms that there was no business transactions with the Directors or their related parties.

**Procurement**

The Council is a public entity whose procurement and asset disposal procedures are guided by the Public Procurement and Asset Disposal Act, 2015. Below is a list of top ten contracts awarded during the period.

No.	Contract Description	Business Name Of Contractor/Supplier	Date Awarded	Contract Price/Value
1	Supply and delivery of 9,000 bottles of Nivea Sunscreen Lotions SPF 50 for adults	Ole Star Investment Limited	18 <sup>th</sup> January, 2019	17,550,000
2	Supply and delivery of 8,500 bottles of Sunscreen Lotions SPF 30 for children	Ruthkan Enterprises	19 <sup>th</sup> November, 2018	16,957,500
3	Provision of medical insurance cover for staff and board of directors	First Assurance Insurance Company	28 <sup>th</sup> September, 2018	16,078,040
4	Supply and delivery of assistive devices (tricycles, KAFOS, Special seats, toughriders)	Association of the physically disabled of Kenya	1 <sup>st</sup> July, 2018-30 <sup>th</sup> June, 2019	6,185,800
5	Supply and delivery of Assistive devices (behind the ear hearing aids)	Kenya Society for Deaf Children	5 <sup>th</sup> December, 2018	4,320,000
6	Supply and delivery of Assistive devices (motorized wheelchairs, reclining wheelchair, axillary crutches)	Bluestack Solutions Ltd	1 <sup>st</sup> July, 2018-30 <sup>th</sup> June, 2019	3,769,800
7	Supply and delivery of Data card ribbons and PVC white cards	Ntanae Enterprises & Jasatronic Data Systems	26 <sup>th</sup> September, 2018 & 30 <sup>th</sup> April, 2019	3,399,375
8	Supply and delivery of Assistive devices (elbow crutches, standard wheelchairs, wheelchair commode)	Debra Limited	1 <sup>st</sup> July, 2018-30 <sup>th</sup> June, 2019	2,154,888
9	Supply and delivery of tools of trade-sewing kits	Tita Shuttle Investment	28 <sup>th</sup> March, 2019	1,993,760
10	Supply and delivery of tools of trade-salon kits	Joalice Ventures	25 <sup>th</sup> March, 2019	1,986,300

# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## Annual Report & Financial Statements FY 2018/2019

### CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The Council did not encounter legal challenges to procurement decisions made during the period.

#### The Executive Director and Responsibilities

The Executive Director is the Chief Executive Officer and is responsible for proper and efficient management of the day to day operations of the Council under the policy guidelines of the Board of Directors. The responsibilities of the Executive Director are:

- a) Interpret and implement the decisions of the Board;
- b) Oversee the formulation and implementation of corporate strategic plans, and appropriate policies and procedures within the Council;
- c) Provide organizational leadership and supervision of all departments in order to achieve the Council goals;
- d) Demonstrate commitment to the organization's vision, mission, core values and mandate;
- e) Provide regular, thorough and prompt communication to the Board on key technical, financial and administrative matters;
- f) Effectively represent the organization to stakeholders and enhance its public image; and
- g) Promptly respond to Board member's for information.

#### The Corporation Secretary

Corporation Secretary is the secretary to the Board and guides the Board on governance and statutory matters and is the custodian of corporate governance in the Council.

#### Board Meetings

Board meetings are held at least four times a year. The Board therefore holds regular scheduled meetings throughout the year and supplementary meetings may be held as when necessary. In case of non-attendance due to other commitments such information is communicated to the Secretary, CEO and Chairman prior to the date of the scheduled meeting. The CEO is a member of all sub-Committees of the Board except Audit and Risk Committee.

The full Board held six (6) meetings attended as follows during the year:

#### Board Membership and Attendance of Meetings

Name	Attendance
Peter Muchiri Mwangi - Chairman	1/6
Dr. Habiba Mohamed - Member	6/6
Hassan Marsa Sarbo - Member	6/6
Samuel Ochieng Odawo – Member	6/6
MacRalph Chege - Member	6/6
Simon Joni Ndubai - Member	6/6
Ashura B. Michael- Member	6/6
Benson Mugambi- Member	5/6
PS National Treasury or Representative	0/6
Hon. Mohamed H. Gabbow – Secretary	6/6

*The Board members were appointed on 9<sup>th</sup> October, 2018 and Gazetted on 16<sup>th</sup> November, 2018*

*Peter Muchiri Mwangi - Chairman of the Board was appointed on 3<sup>rd</sup> May, 2019*

*Principal Secretary for National Treasury and Planning is yet to nominate a representative to the Board*

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## ***Annual Report & Financial Statements FY 2018/2019***

### **CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

#### **Board Committees, Responsibilities and Meetings**

The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities. The Board has developed a committee structure that assists in the execution of its duties, powers and authorities. Each Committee is guided by the terms of reference which outlines its responsibilities as mandated by the Board.

The Committees are appropriately constituted drawing membership from amongst the board members with appropriate skills and experience. The Chairman of the Board, management and external parties/advisors are required to attend the committee meetings only by invitation.

The Committees are expected to operate transparently, ensure full disclosure to the Board and conduct themselves within the rules and procedures set out by the Board. Matters deliberated by the Committees are presented to the Board by the respective Chairpersons during the full Board meeting. The Committees are Audit and Risk, Finance and Human Resource, Technical (Programs). The responsibilities and attendance of meetings during the year is as summarised below:

#### **Finance, Human Resource and Administration Committee**

The Finance, Human Resource and Administration Committee assist the board in fulfilling its oversight responsibilities for fund utilization, allocation, review of budgets and financial reporting, and achieving its human, administration, ethical and governance functions through adequate governance policy development, recruitment and staff development programs

The responsibilities of the committee are as follow:

- a) Prepare detailed quarterly income and expenditure report on the financial position of the Council and report to the board at every quarter
- b) Review budget for recommendation to the board
- c) Consider financial performance reports and review management responses and actions as appropriate
- d) Ensure appropriate, prudent sustainable and efficient use of Council funds
- e) Monitor the financial reporting process to ensure compliance with all regulatory returns
- f) Bring to the Boards attention all financial matters and potential risk of which it has knowledge that may affect the current or future position of the Council
- g) Put in place systems to ensure that there is no harassment and intimidation of staff who voluntarily report corruption or malpractices at the Council
- h) Review skills and experience of the staff of the Council and recommend to the Board the desired skills and experience for potential new appointments.
- i) Assist and support annual review processes for evaluating the effectiveness of the Board and committees
- j) Appraise the performance of senior management team
- k) Satisfy itself with regards to succession planning, that the processes and plans are in place with regards to the Chief Executive Officer and senior appointments
- l) Address all disciplinary issues arising from the Council's staff

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

**Finance, Human Resource and Administration Committee Membership and Attendance of meetings**

Name	Attendance
Simon Joni Ndubai	3/3
Hassan Marsa Sarbo	3/3
Ashura Michael	3/3

**Audit and Risk Committee**

The Committee assists the board to monitor, evaluate, make decisions and propose to the board with respect to all auditing, risk management and internal control functions relating to the Council and where appropriate issue instructions to the management for action or make recommendations thereof to the board. The committee has the following responsibilities;

- Review the effectiveness of the system for monitoring compliance with laws and regulations and ensure Council continuity amongst other responsibilities as may be delegated by the Board.
- Review and ensure the integrity of financial statements and appropriate accounting principles prior to review and approval by the Board.
- Review the effectiveness of the Board's internal control systems and compliance as well as advise the board on risks and mitigation measures
- Review audit reports and make recommendations to the Board

**Audit and Risk Committee Membership and Attendance of meetings**

Name	Attendance
MacRalph Chege	1/1
Dr. Habiba Mohamed	1/1
Benson Mugambi	1/1

**Programmes and Technical Committee**

The Committee ensures that delegated tasks under programs department are performed. The Committee has the following responsibilities:

- Monitor and guide the overall Vision, Mission, Strategy and program plan for the Council
- Consider the Council five-year strategic plan, objectives, budgets, performance indicators, business plans, annual work plans and performance contract established to achieve them.
- To review and develop criteria and guidelines on the administration of National development fund for persons with disabilities and set priority areas for funding and implementation of the fund.
- To make proposals to the Board for enhancement of the Council's programmes
- Advise the board on all matters regarding the contents of national, regional and international treaties and conventions on the rights of persons with disabilities
- Oversee and monitor Council's governance framework policies

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**CORPORATE GOVERNANCE STATEMENT (CONTINUED)**

**Technical (Programmes) Committee Membership and Attendance of meetings**

Name	Attendance
Samuel Ochieng Odawo	2/2
Dr. Habiba Mohamed	2/2
Benson Mugambi	2/2
MacRalph Chege	2/2

**Board of Trustees**

The Board of Trustee administers the National Development Fund for Persons with Disabilities.

The responsibilities of the committee are as follows;

- To approve payment of grants towards economic empowerment support of persons with disabilities
- To approve payment to learning institutions of persons with disabilities with funds for infrastructure and equipment
- To provide support for assistive devices and services
- To approve payment of scholarship to persons with disabilities

**Board of Trustees Membership - Induction and Mwongozo Attendance**

S.No	Name	Attendance
1.	Samson Mpapayiai Tipape	8/8
2.	Abdia Abdi Abkula	8/8
3.	Johnstone N Mutua	8/8
4.	Abdulkhakim Ware Shehe	8/8
5.	Peter Muchiri	8/8
6.	Susan Mutungi	8/8
7.	Hon. Mohammed Hussein Gabbow	8/8
8.	PS, National Treasury and Planning	0/8

***Principal Secretary National Treasury is yet to nominate a representative to the Board***

**Board Induction and Continuous Skills Development**

During the year, the Board of Directors together with Board of Trustees were inducted to familiarize them with their responsibilities as directors, general principals of corporate governance and Board Practices as enshrined in the Mwongozo Code. The trainings were held in Naivasha and Nanyuki and were conducted by State Corporation Advisory Committee

**Board Effectiveness and Evaluation**

In order to assess and improve the capacity, functionality and effectiveness of the Board and its Committees, annual evaluation ought to be undertaken in accordance with the widely accepted principles of corporate governance. The self/peer evaluation reviews the capacity, functionality and effectiveness of its performance in the achievement of its goals and objectives. It assesses the performance and independence of the Board and its Committees jointly and individual members of the Board including the Executive Director. The Executive Director is assessed on his roles as the Chief Executive Officer and the Secretary to the Board.

# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## Annual Report & Financial Statements FY 2018/2019

### CORPORATE GOVERNANCE STATEMENT (CONTINUED)

During the year, no comprehensive board evaluation was conducted under the guidance of State Corporation Advisory Committee because the Board and the Committees had just been appointed and will therefore be evaluated in the next financial year against the following criteria, amongst others;

- Effective preparation for and participation at meetings
- Understanding the organisation, mandates, strategic thrust of Council
- Ability to take an independent view on matters brought for discussion
- Communication with fellow directors, management and stakeholders
- Regular attendance of meetings
- Keeping abreast with latest developments, including awareness and compliance with regulatory guidelines

#### Internal Controls and Risk Management

The Board has the responsibility of identifying internal risk exposure and developing measures to mitigate against the identified risks. The Board reviews and monitors the development and implementation of systems on internal controls and risk management practices. The Board was appointed and has developed the risk management framework and management control which identifies the risks. The Board has delegated the day to day management of risks to management through systems and process carried out on day to day basis.

#### Relationship with Stakeholders

The board appreciate that stakeholder's perception affects the organizations reputation. Therefore, the Board strives to achieve an appropriate balance between its various stakeholders in the best interest of the organization by taking into account their legitimate interest and expectations in decision making.

The Board values the importance of complete, timely, transparent and effective communication with its stakeholders for building and maintaining their trust and confidence by providing regular information on its activities and addressing their concerns whilst having regard to legal and strategic considerations. The Board developed a Corporate Communications Strategy which encompasses internal and external communication, customer service and public relations.

The main avenues for communication are through press releases, stakeholder forums, publications on disbursements and annual reports and financial statements. The Board has continued to encourage electronic communication through publishing documents in the Council website [www.ncpwd.go.ke](http://www.ncpwd.go.ke) and has endeavoured to ensure that the website is highly interactive and contains relevant information.

Additionally, the Board has dedicated staff to deal with complaints and public relations effectively, efficiently and as expeditiously as possible. The Board has an established mechanism of receiving, resolving and giving feedback on complaints referred to it by its stakeholders. The Board submits quarterly reports to the Commission of Administrative justice on complaints handling and management.

#### Compliance with Laws, Regulations and Standards

During the year, the Board complied with all the relevant Laws, Regulations and Standards.

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## **Annual Report & Financial Statements FY 2018/2019**

### **VIII. PERFORMANCE CONTRACT REPORT**

The Council signed a performance agreement with the Government of Kenya as a demonstration of its commitment to;

- i) Ensuring that services are delivered in accordance with the existing laws;
- ii) Ensuring that public officers demonstrate professionalism, transparency and accountability in performing their duties and that they show courtesy, integrity and neutrality in service provision;
- iii) Ensuring that the public are offered services as per approved budget

#### **1. Finance Stewardship and Discipline**

During the financial year, the Council absorbed and utilized a total of KShs. 1,393,389,272 out of a budget of KShs. 1,969,668,846 from both recurrent and development funds. The development fund is utilized in financing the programme activities such as assistive devices, economic empowerment, LPO financing, tools of trade, infrastructure and equipment for learning institutions, advocacy and awareness creation and support of sign language training. Recurrent expenditure mainly consists of operations, cash transfer for persons with severe disabilities and support of Persons with Albinism.

#### **Appropriation – in – Aid (A-in A)**

During the financial year, the Council realised a total of KShs 11,977,790 against a target of KShs 17,150,000 from accessibility audits, donations and disposal of idle assets.

#### **2. Service Delivery**

##### **Implementation of Citizens' Service Delivery Charter**

During the financial year, the Council in pursuit of its core mandate ensured that effective service was delivered to its customers and stakeholders. Some achievements include:

- i) Displayed the service charter at the entrance of Headquarters offices both in English and Kiswahili.
- ii) Staff were trained and sensitized on service delivery.
- iii) All council staff are complying with the commitment's standards through maintenance of records on service delivery.
- iv) The Council has customized the service charter to meet the unique needs of its clients through provision of service charter in braille to clients with visual disability and also produced the service charter in Audio form.

##### **Application of Service Charter Delivery Innovations**

During the financial year, the Council implemented the following innovations:

- i) Finalized and rolled out Mobile App.
- ii) Designed an Interactive Voice Response System (IVRS) which was integrated to our toll-free line on frequently asked questions by our clients.

##### **Resolution of Public Complaints**

The Council resolved promptly public complaints referred directly or channelled through the Commission of Administration of Justice (CAJ). Further the Council:

- i) Established a complaints management and access to information infrastructure.
- ii) Held one capacity building workshop on effective Complaints Management mechanism and access to information for top Management
- iii) Promptly processed and responded to all requests for access to information received.
- iv) Implemented all decisions and recommendations received from CAJ during the year

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## **Annual Report & Financial Statements FY 2018/2019**

### **PERFORMANCE CONTRACT REPORT (CONTINUED)**

#### **3. Core Mandate**

##### **Priority programmes / 'Big Four Initiatives' / Vision 2030 Flagship Programmes**

The Council identified certain programmes under the National Development Fund for Persons with Disabilities (NDFPWD) for implementation under the 'Big Four Agenda' and Vision 2030 Flagship programmes.

##### **Big Four Initiatives**

The Council identified Cash transfer for Persons with Severe Disabilities and Provision of support to Persons with Albinism as enablers to the 'Big Four Agenda'. The Council provided interventions to 3,538 persons with Albinism to prevent skin cancer. During the year, the Council provided cash transfer to 29,584 Persons with Severe Disabilities through the National Safety Net (Inua Jamii) Programme.

##### **Vision 2030 Flagship Programmes**

During the financial year, the Council identified eight initiatives as Vision 2030 Flagship programmes. Through these initiatives the Council achieved the following:

- i) Provided 3,263 persons with disabilities with assistive devices.
- ii) Supported 41 PWDs owned businesses with LPO financing to increase access to business opportunities by PWDs under AGPO.
- iii) Provided 252 Vocational Rehabilitation Centres (VRCs) graduates with tools of trade.
- iv) Provided economic empowerment support and entrepreneurship training to 147 PWDs Self Help Groups for income generating activities and financed 33 Disabled Persons Organizations to conduct advocacy and awareness creation.
- v) Supported 382 government workers offering essential services with Sign Language training.
- vi) Provided support to 2,101 PWDs with education bursaries to improve access to opportunities in education, training and rehabilitation.
- vii) Supported 62 learning institutions of Persons with Disabilities to improve enrolment capacity and learning environment with infrastructure and equipment.

#### **4. Other Core Mandates**

During the financial year, the Council achieved the following:

- i) Registered 66,664 PWDs and issued 40,397 Disability cards
- ii) Conducted accessibility Audits in 152 government institutions
- iii) Issued compliance certificates to 149 government institutions.

#### **5. Access to Government Procurement Opportunities**

During the financial year, the Council spent KShs 72,115,995 on goods and services supplied by businesses owned by Youth, Women and Persons with Disabilities out of a total procurement budget of KShs 189,324,305.

#### **6. Promotion of Local Content in Procurement**

During the financial year, the Council spent a total KShs 113,580,861.66 on locally produced goods and services against a total procurement budget of KShs 189,324,305.

#### **7. Cross Cutting Issues**

##### **a) Asset Management**

The Council maintained a catalogue of assets and properties and disposed idle assets raising KShs 47,800.

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## ***Annual Report & Financial Statements FY 2018/2019***

### **PERFORMANCE CONTRACT REPORT (CONTINUED)**

#### **b) Youth Internship/ Industrial Attachments/Apprenticeships**

The Council engaged a total 142 interns and attachees against a target of 100.

#### **c) Competence Development**

The Council undertook an institutional Training Needs Assessment and implemented various training programs to enhance employees' skills and proficiency geared towards improving institutional performance.

Data and Knowledge Management: The Council identified data gaps under its mandate, captured, organized and processed the data thereby establishing patterns, trends and attributes of the processed data and information. This has continuously enabled management draw insights which has addressed critical issues that has informed policy and resource allocation in the National Development Fund for Persons with Disabilities (NDFPWD).

#### **d) Disability Mainstreaming**

The Council continued to maintain disaggregated data on 34 employees with Disabilities by number, age, gender and forms of disability. The council also ensured access to its information by the Public by providing brailled copies and maintaining two sign interpreters.

#### **e) Prevention of HIV infections**

The Council implemented HIV/AIDS workplace policy in order to prevent infections and provide information on HIV/AIDS thus reducing stigma and discrimination.

#### **f) Safety and Security Measures**

During the financial year, the Council adhered to safety and security measures by installing a CCTV system.

#### **g) National Cohesion and Values**

During the year, the Council implemented the commitments in the 2017 Annual President's Report on National values and principles of Governance. The Council implemented five commitments and submitted an Annual report on measures taken and progress achieved in the realization of the National values and principles of Governance.

#### **h) Corruption Prevention**

The Council is committed to prevent corruption, unethical practices and promote best practices in its operations. To achieve this, the Council conducted a corruption risk assessment and mitigation plan and submitted reports to Ethics and Anti- Corruption Commission.

## **IX. MANAGEMENT DISCUSSION AND ANALYSIS**

### **The Council's operational and financial performance**

In this section we examine the activities undertaken, programme and services offered by the Council during the Financial Year 2018/19. During the period, the Council continued to deliver on its mandate as provided for in the Persons with Disabilities Act No 14 of 2003.

Towards the end of the year, the Council launched its Strategic Plan for the period 2018-2022. This was launched on 27<sup>th</sup> June 2019. The Plan provides a blueprint and strategic direction for the Council for the next five years.

The key highlights of the achievements of the Council during the year are outlined below.

#### **1. Cash Transfer funds for Persons with Severe Disabilities**

Kenya has an estimated 1.3 million persons with disabilities representing about 3.5% of the total population (KNBS, 2010). Persons with disabilities in Kenya like in most developing countries constitute a marginalized population and face challenges from their disability. They suffer disproportionately the effects of poverty and deprivation due to limited opportunities and enabling environment promoting self-independence and empowerment. Most have no access to education, health, employment or rehabilitation. Majority experience hardships as a result of inbuilt social, cultural and economic prejudices, stigmatization and more often abuse and violence. It is for this reason that the Government of Kenya continues to provide services, grants and cash transfers and enabling environment for input and initiatives by different players within the disability sector.

The primary purpose of cash transfers is to alleviate extreme poverty by supplementing the income of the poorest households and enabling the households to increase their consumption of food and other basic items. Cash Transfers also promote other benefits, including increased use of education and health services and economic resilience of households. The Cash Transfer Programme at the Council delivers these benefits through the provision of regular and reliable cash transfers to persons with severe disabilities.

During the year, the Cash Transfer programme witnessed major changes aimed at streamlining the programme and ensuring that all persons with severe disabilities on the programme access their stipends. To this end, 29,584 beneficiaries were migrated from Card based payment to account based model where beneficiaries opened accounts with a bank of their choice through which their cash was channeled. To facilitate this, the Ministry of Labour and Social Protection contracted four commercial banks – Post Bank, KCB, Equity Bank and Cooperative Bank for disbursements of the funds to the beneficiaries.

This model gives beneficiaries a chance to choose a Payment Service Provider (PSP) of their choice from among the four contracted banks. The new payment model is expected to address challenges previously experienced by the beneficiaries such as long distances travelled to access funds. The model enables beneficiaries to operate a bank account where they can easily make withdrawals from wherever they are and promote the culture of saving amongst the beneficiaries. Further during the year, the Council disbursed funds totaling to Kshs. 861 Million to 29,584 households caring for persons with severe disabilities.

#### **2. Albinism support programme**

The Albinism programme is designed to improve the welfare of Persons with Albinism (PWAs). During the Year, the programme continued to provide sunscreen lotions with SPF 30+, SPF 50+, protective clothing to 3,538 Persons with Albinism and supported skin cancer screening and interventions. The lotions were distributed for use by persons with albinism in one hundred and ninety (190) grass root healthcare facilities spread across the Country. The Council also supported 25 Persons with Albinism for skin cancer treatment. In June 2019 the Council organized and held the International Albinism Awareness Day celebrations in Kakamega County on June 13, 2019.

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## ***Annual Report & Financial Statements FY 2018/2019***

### **MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

Further, two (2) members of staff were part of the Kenyan delegation that participated in the 40<sup>th</sup> UN Human Rights Council held in Geneva, Switzerland. In the Geneva Council, the Kenyan Report was read by Ikponwosa Ero, the UN Independent Expert on the enjoyment of Human rights by Persons with Albinism who visited Kenya in September 2018.

In addition, during the Year, the Council partnered with 29 County Governments to conduct skin cancer screening for 1,266 persons with albinism.

The Council also disbursed Kshs. 15 Million to three organizations - Albinism Empowerment Network, Pastoral Heritage and Albinism Society of Kenya to carry out awareness and advocacy activities on albinism.

During the Year, the Council spent Kshs.60.5 Million on this programme.

#### **3. The National Development Fund for Persons with Disabilities**

The National Development Fund for Persons with Disabilities is a permanent Fund established through the Persons with Disabilities Act of 2003 for the benefit of persons with disabilities in Kenya. It came into effect through a Gazette Notice in 2009. Under the Fund, the Council is implementing several programmes aimed at improving the welfare of persons with disabilities. These are:

##### **3.1 Economic Empowerment programme**

The Fund provides grants to Community Self-Help Groups for Economic Empowerment or Revolving Fund Schemes. These grants aim to help persons with disabilities gain self-sufficiency in generating income and to enable them gain skills and experience in accessing loans for their businesses.

This programme employs a two-prong approach; funding for the group to jointly undertake a common project for the benefit of the membership. This includes, fishponds, rearing livestock, bead making, etc. or revolving fund for on-lending to group members to engage in businesses at an individual level.

Eligible groups supported are those of and for persons with disabilities legally registered to operate within the Republic of Kenya and also registered with the National Council for Persons with Disabilities. They must also have been in existence for at least one year or more since their registration.

During the Year, 147 groups of persons with disabilities were trained and funded to a tune of Kshs. 14.2 Million.

##### **3.2 LPO Financing Programme**

The LPO Financing Programme supports businesses of persons with disabilities that are registered with the National Treasury under Access to Government Procurement Opportunities (AGPO) to finance LPOs, LSOs and Contracts awarded by Government procuring entities. This support was introduced to improve employment opportunities for persons with disabilities through increasing access to opportunities offered by the AGPO programme. The AGPO Programme offers persons with disabilities an opportunity to access businesses they would otherwise not. During the year, the Programme supported 41 businesses owned by persons with disabilities with finance to enable them to deliver on the tenders awarded to them. Persons with disabilities owned businesses were supported with LPO finance totaling to Kshs. 13 Million.

This being a revolving fund, outstanding funds with some of the beneficiaries stand at Kshs. 17.8 Million by the close of the Financial Year.

## **MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

### **3.3 Tools of Trade**

The Tools of Trade empowerment programme for youth with disabilities is an initiative programme that seeks to provide the beneficiaries with employment and wealth creation opportunities in selected sectors such as catering, automotive engineering, agriculture, beauty, and domestic services. This is achieved through the provision of start-up tool kits to start their own businesses. During the Year, the Council provided 252 youths with disabilities with start-up tool kits to start their own businesses totalling to Kshs. 10.1 Million.

### **3.4 Education Support Grants**

This programme aims to improve persons with disabilities enrolment, retention and completion of education cycle for the eventual engagement in decent and gainful employment. The Council offers school fees to learners with disabilities in primary and secondary schools, middle level colleges, university and vocational institutions.

Grants awarded to each level are to a maximum of Kshs 20,000 for Primary and Vocational levels, Kshs 30,000 for Secondary level, Kshs 40,000 for College and Kshs 50,000 for Universities. During the Year, the Council identified and supported 1,815 learners with disabilities with education support to a tune of Kshs. 51 Million.

In addition, during the Year, 282 learners with disabilities were supported by our partner Kenya Pipeline Company and another 4 by KCB Foundation.

### **3.5 Advocacy and National Events**

Advocacy and awareness campaigns play an important role in building critical mass to support the cause for protecting the rights of persons with disabilities as well as creating awareness on disability issues. During the Year, the Council awarded grants to 11 National DPO (Disabled Persons Organizations) to conduct advocacy and awareness activities on disability issues to a tune of Kshs. 11 Million. The Council also supported 22 other DPOs to host various disability events at a tune of Kshs. 3 Million.

### **3.6 Infrastructure and Equipment support to learning institutions**

Infrastructure and Equipment Support Programme facilitates the maintenance and growth of institutions and organizations, which provide education or social services to persons with disabilities in order to improve enrolment capacity and quality of learning offered. Support is provided to educational institutions, including special schools, special units, and social service and care delivery organizations.

During the Year, the Council disbursed grants to 62 learning institutions to a tune of Kshs. 44.8 Million.

### **3.7 Assistive Devices & Services**

Under the National Development Fund for Persons with Disabilities, the Council provides assistive devices or aids and services to persons with disabilities in Kenya. The Council also supports mobility & orientation training for persons who acquire visual impairment in adulthood to enable them to live independently in society.

In enhancing access to public services provided by government agencies and particularly to persons with hearing impairment, the Council trains workers offering essential services (Nurses, Social workers, Police among others) in Kenya Sign Language. This is geared towards equipping them with requisite skills to communicate with clients who are deaf. During the Year, the Council entered into a partnership with Kenya Institute of Special Education to provide training in Kenya Sign Language. The Council sponsored 382 public service officers for a six-month Kenya Sign Language Training Programme. They completed and are awaiting graduation in October 2019.

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## **Annual Report & Financial Statements FY 2018/2019**

### **MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

In addition, the Council supported 3,263 persons with disabilities from different counties with hearing aids, crutches, wheelchairs, tricycles, white canes, and walking appliances. The Council spent Kshs. 49.8 Million on assistive devices and services during the Year.

#### **3.8 Registration of persons with disabilities**

In the year under review, the Council continued to maintain a database of persons with disabilities through the registration. Registration is carried out in partnership with the Ministry of Health. There are over 200 government gazetted Hospitals that conduct disability assessment. It is after registration that clients can access various services offered by the Council including, education assistance, assistive devices, cash transfer, and economic empowerment among others

During the year, the Council collaborated with several institutions in the registration exercise. These included; Office of the First Lady (Beyond Zero Medical Safaris in Narok, Kisumu and West Pokot Counties), Bethsaida Home for the Aged and Disabled (Kajiado County), T21 Down Syndrome (Nairobi County), Help a Child Africa (Makueni County), Kenya Red Cross (Bungoma and Baringo County), World Vision (Homa Bay County), Autism International School (Kiambu County), Expodium Africa, Bethany Kids, Embrace inclusion and St. Patrick Parish Catholic Parish (Kiambu County).

The Council through outreach registration exercises carried out mass registration exercises across the Country to ensure persons with disabilities at the grassroot level were captured. It also ensured that those who were not able to afford the assessment charges were registered within their localities and hence able to access the Council services. Other key stakeholders in the outreach programme include; County Governments, Ministry of Education through Education Assessment Resource Centre (EARC) and NGOs. During the Year, the Council registered 66,644 persons with disabilities throughout the country.

In addition, the Council facilitated 2,236 persons with disabilities to access tax exemption on their income from Kenya Revenue Authority.

During the year, the Council spent Kshs. 20.5 Million on registration.

#### **4. Public information and awareness creation**

Information is a critical aspect in enabling the public to make informed choices and decisions, in their day-to-day activities. It also enhances understanding among people on their rights and privileges and enabling them to understand the environment in which they are working. In enhancing understanding of disability issues and promoting the rights of persons with disabilities, the Council continued to sensitize the public and create awareness on disability through several activities.

In the Financial Year 2018/19, the Council participated and exhibited in various forums and events with the aim of sensitising the public and creating awareness on the programmes and activities of the Council and disability issues at large. The Council participated in the Agricultural Society of Kenya (ASK) shows in Kakamega 30<sup>th</sup> May to 2<sup>nd</sup> June 2019 and Kitale in Trans Nzoia on 17<sup>th</sup> to 20<sup>th</sup> October 2018.

The Council also exhibited during several international and national events including the International Day of the Family held at KICD on 15<sup>th</sup> May 2019, the International Day of the Older Persons held on 1<sup>st</sup> October 2018 in Bomet County, during the Kenya Institute for the Blind (KIB) 50th Anniversary Celebrations held on 31<sup>st</sup> May 2019 at KIB offices in Nairobi. Further, the Council also exhibited during the International Albinism Awareness Day celebrations in Kakamega on 13<sup>th</sup> June 2019. The Council also participated in observing the Poverty Eradication Day on 16<sup>th</sup> November 2018 and Road Traffic Crash Victims World Remembrance Day

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## ***Annual Report & Financial Statements FY 2018/2019***

### **MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

on 23<sup>rd</sup> November 2018. In addition, the Council in partnership with other stakeholders held the International Day of Persons with Disabilities in all the Counties with the national event being observed in Kisumu County

Further in the Year, the Council observed the International Women's Day at the Kenya School of Government. The Council also participated and exhibited in the Annual Devolution Conference held in Kirinyaga County on 4<sup>th</sup> to 8<sup>th</sup> March 2018.

The Council participated and exhibited in the Uhai Festival held in Machakos on 22<sup>nd</sup> -23<sup>rd</sup> September 2018. The Council also participated in the International Day of Sign Languages and Deaf Awareness week held on 23<sup>rd</sup> to 30<sup>th</sup> September 2018

During the Year the Council took part in the beyond zero Medical Safaris held Narok, Kisumu and West Pokot. The Campaigns focused on the repair of obstetrics fistula in women and girls and reintegrating them back into their communities. The Campaigns were also aimed at promoting aternal health care and assessment of children with disabilities. During the events, the Council was able to publicize its services and programmes.

Further, during the Year, the Council continued to disseminate information on disability through the Council's website and its social media platforms. The Council also continued to create awareness on the rights of persons with disabilities and the programmes of the Council through distribution of IEC materials which included service charter, Persons with Disability Act 2003 and the Convention on the Rights of Persons with Disabilities. Other IEC materials included the production of the Council Service Standards Charter in audio form for clients with visual disability. The Council also reviewed its Communication strategy.

Further, the Council carried out a one-month publicity campaign on citizen TV to create awareness and sensitize the public on the rights of persons with disabilities and the services offered by the Council. The campaign involved airing boards on 'Did You Know' of services and rights of persons with disabilities. The campaign also included testimonies by beneficiaries of the various services offered by the Council. The Council also engaged the media in various activities such as during the Launch of the Strategic Plan

The Council also continued to disseminate information on its services and respond to clients queries on social media platforms including the Council twitter, website and Facebook.

During the year, the Council spent Kshs. 11.5 Million on Public information and awareness creation.

#### **5. Disability Mainstreaming**

Disability mainstreaming is about accessibility and or inclusion of persons with disabilities in social economic development agenda. During the Year, the Council undertook several activities aimed at mainstreaming disabilities in all spheres: The Council conducted Accessibility Audits in 152 Government Institutions and issued certificates of Compliance to 149 institutions. By the end of the Financial Year, 894 persons with disabilities had their accounts activated the Council job Portal.

#### **6. Access to Government Procurement Opportunities (AGPO)**

The programme aims to facilitate the enterprises owned by youth, women and persons with disabilities to be able to participate in government procurement. This is made possible through the implementation of the Presidential Directive that 30% of government procurement opportunities be set aside for the youth, women and persons with disabilities. This is an affirmative action aimed at empowering disadvantaged groups by giving them more opportunities to do businesses with government. The Council reserved Kshs 56,797,292

# **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

## ***Annual Report & Financial Statements FY 2018/2019***

### **MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

which is 30% of all the procurement allocations in the FY 2018/2019 for enterprises owned by the youth, women and persons with disabilities.

During the Year, the Council awarded tenders to the three categories amounting to Kshs 72,115,995.52 whereby the Youth were awarded tenders worth Kshs 11,213,744 Women awarded tenders worth Kshs 13,880,469 and Persons with Disabilities awarded tenders worth Kshs 47,021,782.52.

#### **7. Monitoring Programmes and Activities**

In the Year under review, Monitoring of the Council activities continued in the Counties mainly on programme activities of the National Development Fund for Persons with Disabilities (NDFPWD). The findings of monitoring are used to improve the services offered by the Council and track how desired target outputs are being achieved.

The Council conducted monitoring on the uptake of the sunscreen lotions in Kwale, Kilifi and Mombasa Counties. Further, the Council also conducted monitoring on sunscreen lotions uptake, Education Assistance, Infrastructure and Equipment, and Tools of the Trade in Machakos, Kitui and Embu Counties.

In addition, the Council's Internal Audit department audited 4 beneficiaries of Tools of Trade, 5 funded groups under economic empowerment programme and 9 beneficiaries of education assistance in Laikipia, Samburu and Isiolo Counties. Further, the department audited 28 beneficiaries of Tools of Trade, 4 funded groups under Economic Empowerment Programme and 66 beneficiaries of Education Assistance Programme in Machakos, Makueni and Kitui Counties.

In Kiambu, Kirinyaga, Muranga Counties the audit was conducted on 9 beneficiaries of Tools of Trade, 11 funded groups of persons with disabilities, funded institutions for Infrastructure Development and 18 beneficiaries of Education Assistance. The Council spent Ksh. 1.8 Million on monitoring and evaluation.

#### **8. Training and Capacity building of Staff**

Continuous training and capacity building for staff is critical in enhancing service delivery. In the year under review, the Council facilitated 12 staff for Continuous Professional Development (CPD) training, 2 staff for Strategic Leadership Development Programme (SLDP) and two (2) officers at the Kenya School of Government. In addition, 22 staff were sponsored for Prudent Financial Management Training, 16 new staff were taken through an induction training. The Council also undertook a performance appraisal training for all staff amongst other trainings.

During the Year, the Council engaged fifty-seven (57) interns and eighty-six (86) students on attachment as part of the development and preparation of the young graduates in the job market. Further, the Council also sent four (4) staff to the Information and Records Security Course and Knowledge Management Seminar. The Executive Director was sponsored for an ICT skills enhancement Course. One clerical officer was sponsored for Proficiency Examination at the Kenya School of Government.

Further, during the Year, the Council supported three staff to attend the Zamara 6<sup>th</sup> Annual Conference on Pension and Retirement in Kwale County. Two (2) staff attended a training by ESAMI on Enhancing effectiveness of Public Financial Management Systems in development and emerging economics in Zambia. The Council spent Kshs 4.2 Million.

#### **9. Implementation of the United Nations Convention on the Rights of Persons with Disabilities. -**

During the Year, The Council continued to play its role as the Government Agency responsible for implementing the United Nations Conventions on the Rights of Persons with Disabilities (UNCRPD) through

**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

the various programmes and services offered throughout the Country. The Convention which is a legally binding human rights treaty with an explicit social development dimension, recognises the human rights and fundamental freedoms for all persons with disabilities.

In this regard, the Council participated in various forums and discourses both locally and internationally which focused on the various provisions in the Convention. One member of staff and two Board members attended the United Nations Convention on the Rights of Persons with Disabilities conference in New York between 10<sup>th</sup> and 14<sup>th</sup> June 2019. The Council also sponsored the Chief Administrative Secretary, Ministry of Labour and Social Protection who was the leader of the delegation to the conference. The theme of the conference was “Ensuring the Inclusion of Persons with Disabilities in a changing world through the implementation of the Convention on the Rights of Persons with Disabilities”

The Council also participated in a meeting with the Constitutional Implementation Oversight Committee on 11<sup>th</sup> June 2019 which was considering constitution of new Independent Electrical and Boundaries Commission (IEBC). The interest of the Council was to ensure that persons with disabilities are considered in appointment of the commissioners.

Further, the Council participated at a Stakeholder Engagement and Sensitization Workshop on Management of Social Transformation (MOST) Schools and UNESCO Category Centres on 21<sup>st</sup> June 2019. also attended the Launch of the Kenya National Commission on Human Rights Strategic Plan 2019-2023. The Council also took part in a two-day sensitisation Workshop on the Implementation of the National and Public Service Values and Principles in the Public Service held in September 2018

In promoting inclusion of persons with disabilities at the County level, the Council participated in the 4<sup>th</sup> Annual Legislative Summit held in Kisumu on 14<sup>th</sup> to 18<sup>th</sup> April 2019. The Council also entered a Memorandum of Understanding (MOU) with the County Government of Kiambu on the implementation of Social Protection Funds for Persons with Disabilities in Kiambu County in May 2019.

**10. Promotion/Use of Information Technology**

During the Year, the Council installed IP cameras and a CCTV system. This has greatly improved on the security within the Council premises as the system can be monitored either on site or remotely. Feeds are also archived for up to 30 days in case one needs to review a security incident.

The Council also purchased an IVR system to help automate the front desk. The system allows caller to directly the various departments with the help of audio prompts. The Council also installed a biometric access system which will help in logging in staff attendance.

The Council also identified a developer for a custom mobile app that will be a one stop shop for information on Council activities. The app will be rolled out in July 2019.

The Council spent Kshs. 1.6 Million on the above installations.

**11. Partnerships**

During the Year, the Council continued to strengthen and forge new partnerships with other stakeholders to enhance its service provision. The Council partnered with Svayam India, a Global Centre for Inclusive Environment in achieving greater accessibility in Kenya’s public/private infrastructure & services. Through this partnership a detailed Action Plan was developed titled ‘Inclusive Kenya Mission’ aimed at contributing to capacity building of stakeholders and facilitate the strategies for achieving accessibility rights in Kenya.

## **NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**

### ***Annual Report & Financial Statements FY 2018/2019***

#### **MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

The Council also entered into a Memorandum of Understanding with Kenya Forest Services on the Presidential Directive of achieving the 10% forest cover by engaging in wide scale tree planting exercise to be carried out in the next of five (5) years. This MOU will go a long way in achieving this directive. During the Year, the Council in partnership with the Kenya Forestry Services planted 21,150 trees in Ontulili Forest in Meru County, Mombasa, Kwale and West Pokot. The Council also entered a Memorandum of Understanding (MOU) with the County Government of Nakuru on the implementation of Social Protection Funds for Persons with disabilities in January 2019.

Further in the Year, the Council entered into partnership with Sight Savers International to harmonize the two Bills on Persons with disabilities which were being considered at the Senate and Cabinet levels and prepare a proper justification for National Council for Persons with Disabilities Bill, 2018 at Naivasha. Sight Savers sponsored the Council with Kshs 600,000 for the exercise

The Council collaborated with a number of institutions in the registration exercise. These included; Office of the First Lady (Beyond Zero Medical Safaris in Narok, Kisumu and West Pokot Counties), Bethsaida Home for the Aged and Disabled (Kajiado County), T21 Down Syndrome (Nairobi County), Help a Child Africa (Makueni County), Kenya Red Cross (Bungoma and Baringo County), World Vision (Homa Bay County), Autism

International School (Kiambu County), Expodium Africa, Bethany Kids, Embrace inclusion and St. Patrick Parish Catholic Parish (Kiambu County).

Further, the Council partnered with Help a Child Africa to sensitize and register 342 caregivers and persons with disabilities in Mavindini and Katiithi sub locations Makueni.

The Council also partnered with the Kenya Institute of Business Training for purposes of capacity building training to the funded and prospective beneficiaries of the National Development of Fund for Persons with Disabilities on entrepreneurial and other technical skills for SHG projects.

In addition, the Council partnered with Kenya Commercial Bank under the KCB 2jiajiri programme an initiative of KCB Foundation where the Foundation supported 57 youths with disabilities in the programme.

In the reporting period also, Research Training Institute (RTI), an organization partnering with USAID developed a proposal with the Council targeting youth with disabilities in selected counties for K-YES Programme (Kenya Youth Employment and Skills Program).

The Council also continued to partner with Kenya Pipeline Company (KPC) to pay school fees for needy children with disabilities (2 children per every county) and meeting their school fees for entire high school learning. Currently, 282 students with disabilities are benefiting from the programme since the inception 3 years ago. The Council also secured sponsorship for 4 learners with disabilities to join the Mpesa Foundation Academy who were fully funded by the KCB Foundation

During the Year, the Council collaborate with all the County Governments, CBM, Ministry of Labour and Social Protection, National Industrial Training Authority (NITA), Leonard Cheshire, National Fund for the Disabled of Kenya among others to celebrate the International Day of Persons with Disabilities.

**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

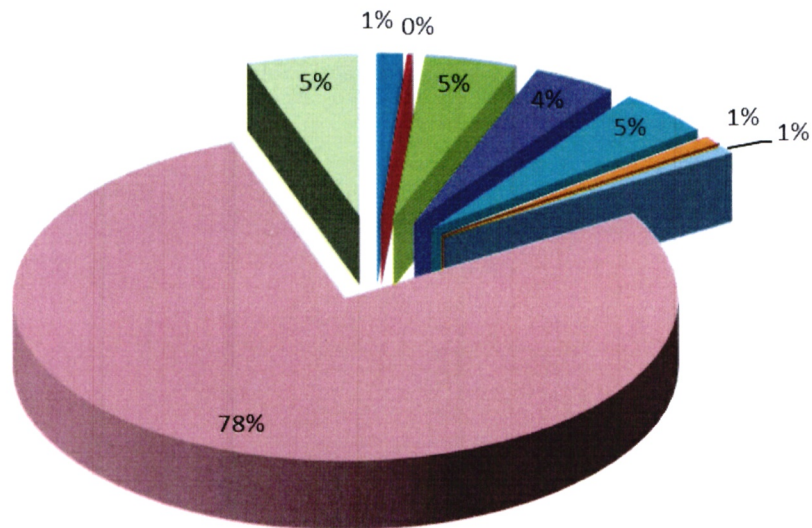
**12. Challenges**

In delivering on its mandate, the Council faced several challenges that affected its performance. Some of these included:

- i. Increased cases of fraud in the registration of Persons with disabilities especially those seeking exemption on income tax and duty on the importation of motor vehicles.
- ii. Delays in the release of the medical assessment reports by the Ministry of Health after persons with disabilities have undergone medical assessments. This delays the process of registration by the Council as the law requires the Council to register based on the medical report. The Ministry of Health has an annual target of signing 20,000 disability assessment reports compared to the Council's 100,000 reports.
- iii. Delays in finalization of Tax Exemption appeals by Ministry of Health resulted in court cases by some of the appellants.
- iv. Inadequate Office space has impacted on the effective delivery of services by staff.

**MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)**

**Programmes performance at a glance**



- Persons with Disabilities Self Help Groups (SHG) 1%
- Donations 0%
- Assisted Devices & Services 5%
- Infrastructure & Equipment support 4%
- Education support 5%
- National Disability Persons Organizations (DPOs) 1%
- Tools of Trade 1%
- Cash transfer to Persons with Severe Disabilities 78%
- Persons with Albinism Support Program 5%

**X. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

The National Council for persons with disabilities continues to implement a corporate social responsibility aimed at improving the living standards of persons with disabilities and their neighbourhoods including addressing environmental concerns. During the year, the Council undertook a number of CSR interventions aimed at contributing meaningfully to the environment, social activities such as education, Arts and Culture, health, uplifting the wellbeing of the marginalized communities and participation in charity events.

**Environment**

Environmental conservation remains a key focus in the Council's corporate social responsibility. During the year, the Council in partnership with several stakeholders including the Kenya Forestry Services and organizations for persons with disabilities continued to create awareness and promote afforestation programmes to conserve the environment and minimize the effect of climate change. During the year, the Council in partnership with the Kenya Forestry Services and other partners supported planting of 21,150 trees in Ontulili Forest in Meru county, Mombasa, Kwale and West Pokot counties.

**Arts and Culture**

During the year the Council, support a number of persons with disabilities to participate in various arts and cultural events locally and internationally. These included: One deaf person to participate in Mr. and Mrs Deaf International Competition in Taiwan, China; support to Uhai Festival in Machakos; one disability dance group to participate in the Bagamoy International Festival of Arts and Culture in Tanzania; support to Deaf Artist Culture Association to participate in the National Kenya Music and Cultural Festival in Meru County.

**Sports**

The Council supported organisations and individual persons with disabilities to participate in various sporting activities. These included support to NONDO to host the 7<sup>th</sup> edition of the Annual wheelchair Desert Race in Isiolo County; support to Kenya Amputee Football Federation for Amputees to participate in the 2018 World Cup for Amputees in Guadalajara, Mexico; support to Children's Speech and Hearing Loss Foundation for children with hearing disability to Participate in the Children's hearing walk/run in Uasin Gishu county; support to Kenya National Paralympic Committee to facilitate persons with disabilities to participate in the World Para Power lifting championship in Bogota, Colombia and participate in the International Competition in Tunis, Tunisia.

**Health**

The Council supported various health initiatives aimed at improving the health of persons with disabilities. During the year, the Council supported Teresa Wangui Maina a person with autism for stem cell therapy in India. The Council also paid medical bills for 25 persons with albinism for skin cancer treatment.

**Internship and industrial attachment.**

The Council continues to value the importance of providing the youth and especially those with disabilities opportunities for them to gain experience and prepare for the job market through an internship and attachment programme. During the year the Council engaged 142 youths for attachment and internship in all our offices.

**Support to groups for persons with disabilities Promoting rights of persons with disabilities through awareness events**

In its endeavour to uplift the wellbeing of the marginalized communities, the Council supported disability organisations to mark disability awareness events aimed at promoting the rights and inclusion of persons with disabilities. This included support to mark the Spina Bifida Day in Kiambu, Machakos, Nairobi and Mombasa counties; support to mark White Cane Day celebrations in Mombasa and Kericho counties; support to participate in the 2<sup>nd</sup> Annual International Week of the Deaf 2018 in Nairobi among others.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
***Annual Report & Financial Statements FY 2018/2019***

**CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**  
**(CONTINUED)**

Other CSR activities undertaken by the Council included support to Elizabeth Wangui Njee with air ticket to attend the International Volunteer Forum in Moscow, Russia. The Council also participated in the Gala Diner for a fund raising to support the Bombolulu workshops and cultural centre in Mombasa to support revamping the workshop

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XI. REPORT OF THE DIRECTORS**

The Directors submit their report together with the audited financial statements for the year ended June 30, 2019 which show the state of the Council affairs.

**Principle activities**

The principal activities of the Council are:

1. To issue adjustment orders under Section 24 of The Persons with Disabilities Act, 2003.
2. To formulate and develop policies designed to achieve equal opportunities for persons with disabilities, to rehabilitate PWDs, protect and promote their rights.
3. To cooperate with the government during national census to ensure that accurate figures of PWDs are established in the country for purposes of planning.
4. To recommend measures to prevent discrimination against persons with disabilities.
5. To register PWDs, institutions, associations and organizations where services are provided for them.
6. To provide assistive devices and other equipment to PWDs
7. To carry out measures for public information on the rights of persons with disabilities and the provisions of the PWDs Act.

**Results**

The results of the Council for the year ended June 30, 2019 are set out on page 1 to 5

**Directors**

The members of the Board of Directors who served during the year are shown on page vi to ix in accordance with PWD Act 2003. During the year, new Board of Directors and Board of Trustees were appointed after a term of service of a previous one expired on 13<sup>th</sup> May 2017.

**Auditors**

The Auditor General is responsible for the statutory audit of the Council in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



Mr. Peter Chebii  
Ag. Corporate Secretary  
Nairobi

Date..... 26/3/2020

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XII. STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Section 81 of the Public Finance Management Act, 2012 and section 9-10 of Persons with Disabilities Act, 2003 require the Directors to prepare annual report and financial statements in respect to Council, which give a true and fair view of the state of affairs of the Council at the end of the financial year/period and the operating results of the Council for that year/period. The Directors are also required to ensure that the Council keeps proper accounting records which disclose with reasonable accuracy the financial position of the Council. The Directors are also responsible for safeguarding the assets of the Council.

The Directors are responsible for the preparation and presentation of the Council financial statements, which give a true and fair view of the state of affairs of the Council for and as at the end of the financial year ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Council; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Council; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Council financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public-Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Persons with Disabilities Act. The Directors are of the opinion that the Council financial statements give a true and fair view of the state of Council transactions during the financial year ended June 30, 2019 and of the Council financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the Council, which have been relied upon in the preparation of the Council financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Council will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**



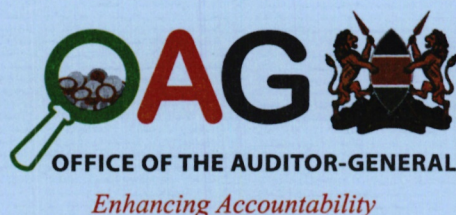
**Hon Mohammed Gabbow**  
**Executive Director**



**Mr. Peter Muchiri**  
**Chairman**

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES FOR THE YEAR ENDED 30 JUNE, 2019**

---

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Council for Persons with Disabilities set out on pages 1 to 27, which comprise the statement of financial position as at 30 June, 2019, and the statement of financial performance, statement of changes in net assets, the statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Council for Persons with Disabilities as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the National Council for Persons with Disabilities Persons with Disabilities Act, 2003 and the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **Long Outstanding Refunds due from the Postal Corporation of Kenya**

As previously reported, Postal Corporation of Kenya received Kshs.327,150,960 in respect of disbursements to beneficiaries during the July to December, 2014 payroll cycle out of which Kshs.28,722,000 remained undisbursed. The Council and the Corporation entered into an arrangement on 25 January, 2015 to have the remaining amount paid in ten (10) months instalments of Kshs.2,872,000. The Corporation honored two months installments totalling Kshs.5,744,200 a leaving a balance of Kshs.22,977,800 unpaid. During the year under review, the Council recovered Kshs.5,564,850 as an offset against EMS Services offered and invoiced by the Postal Corporation of Kenya leaving a balance of Kshs.17,412,749.

In the circumstances, the recoverability of the balance of Kshs.17,412,749 remains doubtful.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Council for Persons with Disabilities Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matter**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Budget and Budgetary Control**

The statement of comparison of budget and actual amounts reflects approved budgeted actual on comparable expenditure of Kshs.1,396,208,348 against approved budget of Kshs.1,969,579, resulting in an under-expenditure of Kshs.573,370,922 or 29% mainly under programmes.

The under expenditure of Kshs.573,370,922 or 29% may have impacted negatively on the goals and objectives of Council, and delivery of services.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1.0 Slow Migration Process from Card-Based System to Account-Based System**

The Council undertook a migration process from card-based system to account-based system in the year under review at a cost of Kshs.1,131,744,197. It was however, noted that out of 42,611 beneficiaries as at 30 June, 2019 only 29,584 beneficiaries had been migrated. The slow migration process denied the promotion and protection of the rights of Persons With Severe Disabilities (PWSD) development agenda. Management has not

provided explanation on why the migration process has taken long and the measures being taken to complete it.

In the circumstances, the intended benefits from the migration process from the card-based system to account-based system has not been realised.

## **2.0 Delayed Cash Transfer to Persons with Severe Disabilities**

The statement of financial performance for the year ended 30 June, 2019 reflects government grant of Kshs.1,691,770,600 which includes Cash Transfer grant of Kshs.1,166,200,000 and as disclosed under Note 7(a) to the financial statements. The grant includes Kshs.63,060,000 relating to 5,255 beneficiaries who migrated during phase two (2) that had not been transferred as at 30 June, 2019. The Council conducted part transfer of Kshs.8,000 per beneficiary instead of full transfer of Kshs.20,000 leaving a balance of Kshs.12,000 per beneficiary.

The Council did not offer a satisfactory explanation as to why grants received could not be transferred in full to the beneficiaries as planned.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk Management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention to liquidate the Council or cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Council's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in

accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Council's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of Council to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

  
Nancy Gathungu  
**AUDITOR-GENERAL**

**Nairobi**

**23 July, 2021**

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XIV. STATEMENT OF FINANCIAL PERFORMANCE**  
**For the year ended 30 June 2019**

	Note	2018-2019	2017-2018
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Public contributions and donations	6	716,000	687,500
Government grant	7	1,691,770,600	1,217,692,200
		<b>1,692,486,600</b>	<b>1,218,379,700</b>
<b>Revenue from exchange transactions</b>			
Other income	8	973,576	554,267
		<b>973,576</b>	<b>554,267</b>
<b>Total revenue</b>		<b>1,693,460,176</b>	<b>1,218,933,967</b>
<b>Expenses</b>			
Employee costs	9	161,069,781	151,199,326
Repairs and maintenance	10	3,817,619	5,408,500
Contracted services	11	5,437,753	4,738,913
Programmes	12	1,131,744,197	1,059,934,051
General expenses	13	57,598,115	41,188,314
Board Expenses	14	20,227,095	545,420
Depreciation	19	16,313,788	16,541,773
<b>Total expenses</b>		<b>1,396,208,348</b>	<b>1,279,556,297</b>
<b>Surplus/Deficit for the year</b>		<b>297,251,828</b>	<b>(60,622,330)</b>

The notes set out on pages 6 to 26 form an integral part of the Financial Statements

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XV. STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2019**

	Note	2018-2019	2017-2018
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	557,543,161	242,850,819
Receivables from exchange transactions	16	34,851,001	36,244,365
Receivables from non-exchange transactions	17	14,171	137,235
Staff Loans and Advances	18	468,235	690,400
		<b>592,876,568</b>	<b>279,922,819</b>
<b>Non-current assets</b>			
Property, plant and equipment	19	65,886,187	77,967,694
		<b>65,886,187</b>	<b>77,967,694</b>
<b>Total assets</b>		<b>658,762,755</b>	<b>357,890,513</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	21	6,174,562	2,554,149
Provisions	22	1,160,000	1,160,000
		<b>7,334,562</b>	<b>3,714,149</b>
<b>Total liabilities</b>		<b>7,334,562</b>	<b>3,714,149</b>
<b>Net assets</b>		<b>651,428,193</b>	<b>354,176,364</b>
Reserves		163,335,432	164,068,472
Accumulated surplus		488,092,761	190,107,892
<b>Total net assets and liabilities</b>		<b>658,762,755</b>	<b>357,890,513</b>

The Financial Statements set out on pages 1 to 5 were signed on behalf of the Board of Directors by:



Executive Director  
 Hon. Mohammed H. Gabbow

Date: 26/3/20



Head of Finance & Accounts  
 Catherine Amunga Wameyo  
 ICPAK No. 8964

Date: 26/3/20



Chairman of the Board  
 Mr. Peter Muchiri

Date: 26/3/2020

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XVI. STATEMENT OF CHANGES IN NET ASSETS**  
**For the year ended 30 June 2019**

Reserves				
	Capital replacement development reserve	Revaluation reserve	Accumulated surplus	Total
	Kshs	Kshs	Kshs	Kshs
<b>Balance as at 1 July 2017</b>	<b>149,729,362</b>	<b>15,072,151</b>	<b>249,997,181</b>	<b>414,798,694</b>
Deficit for the year	-	-	(60,622,330)	(60,622,330)
Transfer to/from accumulated surplus	-	-	-	-
Transfer of excess depreciation on revaluation	-	(733,041)	733,041	-
<b>Balance as at 30 June 2018</b>	<b>149,729,362</b>	<b>14,339,111</b>	<b>190,107,892</b>	<b>354,176,365</b>
<b>Balance as at 1 July 2018</b>	<b>149,729,362</b>	<b>14,339,111</b>	<b>190,107,892</b>	<b>354,176,365</b>
Surplus for the year	-	-	297,251,828	297,251,828
Transfer to/from accumulated surplus	-	-	-	-
Transfer of excess depreciation on revaluation	-	(733,041)	733,041	-
<b>Balance as at 30 June 2019</b>	<b>149,729,362</b>	<b>13,606,070</b>	<b>488,092,761</b>	<b>651,428,193</b>
<b>Balance as at 1 July 2019</b>	<b>149,729,362</b>	<b>13,606,070</b>	<b>488,092,761</b>	<b>651,428,193</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XVII. STATEMENT OF CASH FLOWS**  
**For the year ended 30 June 2019**

	Note	2018-2019	2017-2018
<b>Cash flows from operating activities</b>		<b>Kshs</b>	<b>Kshs</b>
<b>Surplus/Deficit for the year</b>		<b>297,251,828</b>	<b>(60,622,330)</b>
Adjusted for:			
Depreciation	19	16,313,788	16,541,773
<b>Working capital adjustments:</b>			
(Increase)/Decrease in Exchange receivables	16	1,393,364	(5,919,998)
Decrease in Non-Exchange receivables	17	123,064	69,077
(Increase)/Decrease in Staff loan and advances	18	222,165	(690,400)
(Decrease)/Increase in Trade payables	21	3,620,413	(1,671,512)
(Decrease) in Other payables	22	-	(1,160,000)
<b>Net cash flows from operating activities</b>		<b>318,924,622</b>	<b>(53,453,390)</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant & equipment	19	(4,232,280)	(4,813,906)
<b>Net cash flow used in investing activities</b>		<b>(4,232,280)</b>	<b>(4,813,906)</b>
<b>Net increase/(decrease) in cash and cash equivalent</b>		<b>314,692,342</b>	<b>(58,267,296)</b>
Cash and cash equivalents at 1 July 2018	15	242,850,819	<b>301,118,115</b>
<b>Cash and cash equivalents at 30 June 2019</b>	15	<b>557,543,161</b>	<b>242,850,819</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XVIII. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**

	Original budget	Adjustments	Final budget	Actual on comparable	Performance difference	%	Note
	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019		
	Kshs	Kshs	Kshs	Kshs	Kshs		
<b>Revenue</b>							
Brought forward	276,208,670	-	276,208,670	276,208,670	-		
Public contributions and donations	700,000	-	700,000	716,000	16,000	2%	
Government grants and subsidies	1,718,970,000	(27,199,400)	1,691,770,600	1,691,770,600	-	0%	
Other incomes	900,000	-	900,000	973,576	73,576	8%	
<b>Total income</b>	<b>1,996,778,670</b>	<b>(27,199,400)</b>	<b>1,969,579,270</b>	<b>1,969,668,846</b>	<b>89,576</b>	<b>0%</b>	
<b>Expenses</b>							
Employee costs	169,200,000	-	169,200,000	161,069,781	8,130,219	5%	
Repairs and maintenance	4,500,000	(500,000)	4,000,000	3,817,619	182,381	5%	
Contracted services	5,500,000	-	5,500,000	5,437,753	62,247	1%	
Programmes	1,718,108,670	(23,800,000)	1,694,308,670	1,131,744,197	562,564,473	33%	23a
General expenses	63,470,000	(2,899,400)	60,570,600	57,598,115	2,972,485	5%	
Board expenses	20,000,000	-	20,000,000	20,227,095	(227,095)	-1%	
Depreciation	16,000,000	-	16,000,000	16,313,788	-313,788	-2%	
<b>Total expenditure</b>	<b>1,996,778,670</b>	<b>(27,199,400)</b>	<b>1,969,579,270</b>	<b>1,396,208,348</b>	<b>573,370,922</b>	<b>29%</b>	
<b>Surplus for the year</b>			<b>-</b>	<b>573,460,498</b>			23b

# NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES

## Annual Report & Financial Statements FY 2018/2019

### XIX. NOTES TO THE FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

The National Council for Persons with Disabilities is established and derives its authority and accountability from Persons with Disabilities Act, 2003. The Council is wholly owned by Government of Kenya and is domiciled in Kenya. The Council's principle activity is to promote and protect equalization of opportunities and realization of human rights for Persons with Disabilities to live decent livelihoods.

#### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Council accounting policies.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Council.

The financial statements have been prepared in accordance with the PFM Act, the Persons with Disabilities Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

#### 3. ADOPTION OF NEW AND REVISED STANDARDS

##### i) Relevant new standards and amendments to published standards effective for the year ended 30 June 2019

Standard	Impact
<b>IPSAS 40:</b> Public Sector Combinations	<b>Applicable: 1<sup>st</sup> January 2019</b> The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations.  The Standard is not applicable to the Council.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3 ADOPTION OF NEW AND REVISED STANDARDS (Continued)**

**ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2019**

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41:</b> Financial Instruments	<p><b>Applicable: 1<sup>st</sup> January 2022:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p>The standard is not applicable to the Council</p>
<b>IPSAS 42:</b> Social Benefits	<p><b>Applicable: 1<sup>st</sup> January 2022</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the entity;</p> <p>(b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</p> <p>The Council will adopt the standard because of the cash transfer for persons with disabilities social protection programme. The programme aims to improve livelihoods of 47,000 households of persons with severe disabilities by disbursing bi-monthly stipend of Kshs 4,000 per beneficiary.</p>

**iii) Early adoption of standards**

The entity did not early – adopt any new or amended standards in year 2019.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Fees, taxes and fines**

The Council recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably. Recurrent grants are recognized in the statement of comprehensive income. Development/capital grants are recognized in the statement of financial position and realised in the statement of comprehensive income over the useful life of the assets that has been acquired using such funds

**ii) Revenue from exchange transactions**

**Rendering of services**

The Council recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

**Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Council.

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**b) Budget information**

The original budget for FY 2018-2019 was approved by the National Treasury on 1<sup>st</sup> October 2018. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from Council upon receiving the respective approvals in order to conclude the final budget.

The Council budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under note 23 (b) of these financial statements.

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost or at revaluation amount whichever is applicable less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation of assets is charged on a straight-line basis over the useful life of an asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value as follows;

Buildings	2.5%
Motor vehicles	25%
Office equipment, Furniture & Fittings	12.5%
Computers	30%

The Council derecognizes items of property, plant and equipment and /or any significant part of an asset upon disposal or when future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on de-recognition of the assets (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized)

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**d) Provisions**

Provisions are recognized when the Council has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Council expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**Contingent liabilities**

The Council does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

**Contingent assets**

The Council does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**e) Nature and purpose of reserves**

The Council creates and maintains capital replacement development reserve in terms of specific requirements.

- a) The capital replacement development reserve may only be utilized for purchasing items of property, plant and equipment and payment of grants to programs.
- b) Whenever an asset is purchased out of the capital replacement development reserve may, an amount equal to the cost price of the asset is transferred from the capital replacement development reserve and the accumulated surplus is credited by a corresponding amount.

**f) Changes in accounting policies and estimates**

The Council recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**g) Employee benefits**

**Retirement benefit plans**

The Council provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which the Council pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

**Short term employee benefits**

The cost of all short term employee benefit is recognized during the period in which the employee renders the related service.

**h) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Kenya Commercial Bank at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**i) Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Board provides money or services directly to a debtor with no intention of trading the receivable. Receivables mainly arise from non-exchange transactions which accrue in the ordinary course of business and there is no intention of trading the receivable.

Receivables are recognized initially at the fair value. They are subsequently measured at amortized costs using the effective interest method less provision for impairment.

A provision for impairment of receivables is made when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables.

The carrying value less discounts and any impairment provision of impairment is assumed to approximate their fair values. For financial instruments such as short-term receivables, no disclosure of fair value is required when the carrying amount is a reasonable approximation of fair value.

Receivables are classified as current assets if payment is due within one year or less (or in the normal operating cycle of business, if longer). If not, they are presented as non-current assets.

**j) Payables**

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The historical cost carrying amount of payables subject to the normal credit terms usually approximates fair value.

Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of business if longer). If not, they are presented as non-current liabilities.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**k) Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**l) Related parties.**

The Council regards a related party as a person or entity with the ability to exert control individually or jointly, or to exercise significant influence over the and vice versa. Members of key management are regarded as related parties and comprise Executive director and Heads of departments.

**5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Council's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Critical judgements in applying the accounting policies**

In the process of applying the Council's accounting policies, judgements have been made in determining-

- Whether assets are impaired
- Classification of financial assets
- The going concern

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Council based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Council. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Council
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Critical estimates are made by management in determining depreciation rates of property, plant and equipment.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**n) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2019.

**o) Segment reporting**

The Council does not have any branches/reporting segments. All operations of the Council are managed from the registered office. The core business of the Council continues to be, formulating and implementing policies that are geared towards mainstreaming disability issues in the national economy together with other mandates as stipulated in the PWD Act 2003

**6. Public contributions and donations**

	2018-2019	2017-2018
	Kshs	Kshs
Donation from Base Titanium	-	50,000
Donation from Kenya Power & Lighting Co.	-	607,500
Donation from Nyeri Water & Sewerage Co.	-	10,000
Donation from Bena Patel	10,000	20,000
Donation from Eston Patel	5,000	-
Donation from Henley Patel	5,000	-
Donation from National Oil Petrol Station	1,000	-
Donation from Gathuhi Tea Factory Co. Ltd	10,000	-
Donation from Eldoret Water & Sanitation	10,000	-
Donation from Nakuru County Govt	50,000	-
Donation from Sigalagala National Polytechnic	25,000	-
Donation from Sight Savers International	600,000	-
<b>Total transfers and sponsorships</b>	<b>716,000</b>	<b>687,500</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**7 a) Transfers from other Governments**

	2018-2019	2017-2018
Unconditional grants from Ministry of Labour and Social Protection	Kshs	Kshs
Operational grant	166,570,600	128,192,200
Cash transfer to Persons with Severe Disabilities	1,166,200,000	885,000,000
Persons with Albinism support program	100,000,000	75,000,000
Development Fund	259,000,000	129,500,000
<b>Total government grants and subsidies</b>	<b>1,691,770,600</b>	<b>1,217,692,200</b>

**7 b) Transfers from Ministries, Departments and Agencies**

Name of the Entity sending the grant	Amount recognized to Statement of Comprehensive Income	Amount deferred under deferred income	Amount recognized in capital fund	Total grant income during the year	2017-2018
	Kshs	Kshs	Kshs	Kshs	Kshs
Ministry of Labour and Social Protection	1,691,770,600	-	-	1,691,770,600	1,217,692,200
<b>Total</b>	<b>1,691,770,600</b>	<b>-</b>	<b>-</b>	<b>1,691,770,600</b>	<b>1,217,692,200</b>

**8. Other incomes**

	2018-2019	2017-2018
	Kshs	Kshs
Training charges on disability mainstreaming	419,134	279,300
Braille Services	291,380	224,000
LPO Financing Service Charge 1%	74,456	50,967
Disposal of idle assets	47,800	-
Assistive Devices/Services Levy	140,806	-
<b>Total other income</b>	<b>973,576</b>	<b>554,267</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**9. Employee costs**

	2018-2019	2017-2018
	Kshs	Kshs
Salaries and wages	76,659,490	69,663,506
Employee related costs - contributions to pensions, medical and staff training	32,461,413	33,561,450
Transport and other allowances	25,943,168	25,692,738
Housing benefits and allowances	25,760,510	22,047,033
Social contributions	245,200	234,600
<b>Total Employee costs</b>	<b>161,069,781</b>	<b>151,199,326</b>

**10. Repairs and maintenance**

	2018-2019	2017-2018
	Kshs	Kshs
Buildings & stations	479,359	2,172,275
Furniture & equipment	385,550	291,160
Vehicles	2,516,710	2,381,665
Computer, software & networks	436,000	563,400
<b>Total repairs and maintenance</b>	<b>3,817,619</b>	<b>5,408,500</b>

**11. Contracted services**

	2018-2019	2017-2018
	Kshs	Kshs
Professional Services	4,258,777	3,564,101
Guards & security services	1,178,976	1,174,812
<b>Total contracted services</b>	<b>5,437,753</b>	<b>4,738,913</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**12. Programmes**

	2018-2019	2017-2018
	Kshs	Kshs
Persons with Disabilities Self Help Groups (SHG)	14,239,820	14,050,000
Donations	3,064,105	2,988,511
Assistive Devices & Services	49,884,729	42,369,560
Infrastructure & Equipment support	44,849,245	54,228,558
Education support	50,979,712	41,798,580
National Disability Persons Organizations (DPOs)	11,000,000	-
Capacity building of Persons with Disabilities SHG	2,583,709	4,531,179
Monitoring & Evaluation of the SHG	1,874,650	1,674,900
Registration of Persons with Disabilities	20,581,654	20,928,469
Tools of Trade	10,117,951	11,232,442
Cash transfer to Persons with Severe Disabilities	861,295,810	801,642,631
Persons with Albinism Support Program	60,592,972	61,879,700
Disability Mainstreaming	679,840	2,609,522
<b>Total grants and subsidies</b>	<b>1,131,744,197</b>	<b>1,059,934,051</b>

**13. General Expenses**

	2018-2019	2017-2018
	Kshs	Kshs
Utilities, Supplies & Services	1,098,944	867,270
Communication, Supplies & Services	14,227,419	5,685,955
Domestic Travel	8,410,877	5,694,951
Foreign Travel	5,260,614	2,995,821
Printing, Advertising & Information, Supplies & Services	5,057,798	3,144,163
Rents & Rates	56,500	-
Catering Services	2,651,611	2,649,992
Conferences & Seminars	4,022,535	2,698,695
National Day Celebrations	6,425,816	6,068,448
Insurance	1,057,370	1,276,876
Office and General, Supplies & Services	6,683,123	6,963,588
Fuel, Oil & Lubricants	1,353,500	1,801,000
Bank Service Commission & Charges	132,008	181,556
Audit Fees	1,160,000	1,160,000
<b>Total general expenses</b>	<b>57,598,115</b>	<b>41,188,314</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**14. Board Expenses**

	2018-2019	2017-2018
	Kshs	Kshs
Honoraria	214,500	71,500
Sitting Allowances	5,220,000	337,000
Daily Subsistence Allowance (Including Guides)	8,459,966	75,000
Training Expenses	1,816,129	-
Travelling Expenses	1,709,200	62,000
Mileage	1,535,405	-
Insurance	437,259	-
Others i.e Catering & sundry items	834,636	-
<b>Total board expenses</b>	<b>20,227,095</b>	<b>545,500</b>

**15. Cash and cash equivalents**

	2018-2019	2017-2018
	Kshs	Kshs
Bank	557,543,161	242,850,819
Cash-in-hand	-	-
<b>Total cash and cash equivalents</b>	<b>557,543,161</b>	<b>242,850,819</b>

**Detailed analysis of the cash and cash equivalents**

**15 (a) Bank balances**

Name of Bank	Bank Account Number	Currency	2019 Kshs	2018 Kshs
Kenya Commercial Bank	1107116791	KES	502,571,537	232,858,636
Kenya Commercial Bank	1117769690	KES	54,971,624	9,992,183
<b>Total</b>			<b>557,543,161</b>	<b>242,850,819</b>

**15 (b) Cash on hand and in transit**

Form of cash holding	2018-2019 Kshs	2017-2018 Kshs
County offices running imprest	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**16. Receivables from exchange transactions**

Current receivables	2018-2019	2017-2018
	Kshs	Kshs
Other exchange debtors	34,851,001	36,244,365
<b>Total current receivables</b>	<b>34,851,001</b>	<b>36,244,365</b>

Other exchange debtors refer to uncollected amount for cash transfer for persons with severe disabilities beneficiaries for July to December 2014 payroll cycle not refunded by Postal Corporation of Kenya amounting to Kshs 17,412,749 and money owed by clients under the Local Purchase Order (LPO) financing guarantee fund programme amounting to Kshs 17,811,867. The aged analysis of receivables from exchange transactions is as follows:

	0-90 days	90-150 days	150-270 days	270-360 days	1-2 years	Over 2 years	Total
	Kshs'000	Kshs'000	Kshs'000	Kshs'000	Kshs '000	Kshs'000	Kshs'000
<b>Particulars</b>							
Postal Corporation of Kenya						17,412,749	17,412,749
Denzin General Supplies						89,900	89,900
Geojes Limited						76,000	76,000
Rongo Canaan Hardware						400,000	400,000
Adopt Activate						405,000	405,000
Jushami Enterprises						55,800	55,800
Simaji Investment						453,462	453,462
Solucom Agencies						330,000	330,000
Infinite/Countrywide Business Linkages						110,000	110,000
Ong'ata Brookview Academy						80,000	80,000
Summit Human Resource					67,000		67,000
Risasa Enterprises					500,000		500,000
Misaman Enterprises Limited					237,124		237,124
Saints Solutions					500,000		500,000
Syntax Enterprises Limited					500,000		500,000
Domarks Enterprises-Kabati					500,000		500,000
Susma Suppliers Limited					115,000		115,000
Karakana Outlets Limited					485,000		485,000
Kyusi Enterprises					201,600		201,600

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Laconic Icon Agencies			500,000		500,000
Lossayan Suppliers			500,000		500,000
Walbon Enterprises			341,200		341,200
Lendix Agencies			378,879		378,879
Equitorial Hawk Investments			500,000		500,000
Skyspace Systems Limited			500,000		500,000
Jakoki Investments			492,578		492,578
New Orleans Store (K)		402,700			402,700
Julemy Company Ltd		500,000			500,000
Santian Company Ltd		500,000			500,000
Ndilili General Suppliers		267,780			267,780
Super Galaxy General Supplies		350,000			350,000
Nkedaa Investments		500,000			500,000
Mpofu Traders		500,000			500,000
Kombani Enterprises		71,550			71,550
Tahary Enterprise		500,000			500,000
JPA Enterprises Ltd	500,000				500,000
Comprinta Enterprises	250,000				250,000
Leonte General Supplies	86,480				86,480
Diotra Company Ltd	73,000				73,000
Nagolie Top Agencies	500,000				500,000
GM Hosana Ltd	500,000				500,000
Melsup Supplies	500,000				500,000
Kingpoint Enterprises	500,000				500,000
Uchwagi Enterprises	222,064				222,064
Ndiri Traders	70,000				70,000
Godsmanyways	500,000				500,000
Olalang Tech Ltd	39,500				39,500
Kendaug General Supplies	343,750				343,750
Cleantone Graphics	205,000				205,000
Caral Enterprises	500,000				500,000
Behantel Supplies	20,000				20,000
Megacomps Applied Tech	500,000				500,000

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Sifteagleam Enterprises	19,500						19,500
Linchem Enterprises	72,000						72,000
Inkidongi Enterprise	500,000						500,000
Nandi County Government	(102,000)						(102,000)
Nyamache High Tech Pasha Centre	(271,615)						(271,615)
<b>Total</b>	<b>2,618,199</b>	<b>2,909,480</b>	<b>3,592,030</b>	<b>492,578</b>	<b>5,825,803</b>	<b>19,412,911</b>	<b>34,851,001</b>

**17. Receivables from non-exchange contracts**

<b>Current receivables</b>	<b>2018-2019</b>	<b>2017-2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Other debtors (non-exchange transactions)	14,171	137,235
<b>Total current receivables</b>	<b>14,171</b>	<b>137,235</b>

	<b>0-3 months</b>	<b>Over 1 years</b>	<b>Total</b>
<b>Particulars</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Paul Mugambi Mwenda	-	13,761	13,761
Juliet Mati Ruwa	410		410
<b>Total</b>	<b>410</b>	<b>13,761</b>	<b>14,171</b>

**18. Staff loan and advances**

<b>Staff Name</b>	<b>2018-2019</b>	<b>2017-2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Mohammed Hussein Gabbow	285,800	690,400
Francis Anyenda	145,835	-
Peter Chebii	36,600	-
<b>Total</b>	<b>468,235</b>	<b>690,400</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**19. Property, plant and equipment**

	Land	Buildings	M/Vehicles	Office Equip. Furn. & Fittings	Computers	Total
<b>Cost</b>		<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
At 1 July 2017	25,000,000	21,789,659	46,835,097	34,961,676	24,343,233	152,929,665
Additions	-	-	-	3,786,856	1,027,050	4,813,906
At 30 June 2018	25,000,000	21,789,659	46,835,097	38,748,532	25,370,283	157,743,571
Additions	-	-	-	1,157,780	3,074,500	4,232,280
At 30 June 2019	25,000,000	21,789,659	46,835,097	39,906,312	28,444,783	161,975,851
<b>Depreciation</b>						
At 1 July 2017	-	4,630,820	27,152,156	17,216,719	14,234,410	63,234,104
Depreciation	-	544,741	7,974,550	4,324,091	3,698,390	16,541,773
At 30 June 2018	-	5,175,561	35,126,705	21,540,810	17,932,801	79,775,877
Depreciation	-	544,741	7,974,550	4,130,812	3,663,684	16,313,788
At 30 June 2019	-	5,720,302	43,101,255	25,671,622	21,596,485	96,089,665
<b>Net book values</b>						
At 30 June 2019	25,000,000	16,069,357	3,733,842	14,234,690	6,848,298	65,886,187
At 30 June 2018	25,000,000	16,614,098	11,708,392	17,207,722	7,437,482	77,967,694

The Council is required to measure the residual value of all items of property plant and equipment. Management does not expect a residual value for these assets because they will be utilized for their entire economic lives and do not have a significant scrap value.

**20. Fully depreciated assets**

Fully depreciated motor vehicles at original cost of Kshs. 9,663,774 are still in use.

Fully depreciated assets at original cost are as follows:

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	2018-2019	2017-2018
	Kshs	Kshs
Motor Vehicles	9,663,774	9,663,774
Computers	10,618,648	10,043,123
Office Equipment, Furniture & Fittings	8,440,568	2,273,534
<b>Total</b>	<b>28,722,990</b>	<b>21,980,431</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**21. Trade payables from exchange transactions**

	2018-2019	2017-2018
	Kshs	Kshs
Trade payables	6,174,562	2,554,149
<b>Total trade and other payables</b>	<b>6,174,562</b>	<b>2,554,149</b>

The aged analysis of trade payables from exchange transactions is as follows:

	0-3 months	Total
Particulars	Kshs	Kshs
African Touch Safaris	29,400	29,400
Bushtrek Safaris Ltd	52,880	52,880
Director Agriculture Information Centre	108,800	108,800
Eftokia International	225,040	225,040
Kenya Institute of Curriculum Development	1,099,600	1,099,600
Kenya School of Government	490,000	490,000
Kenyatta National Hospital	225,810	225,810
National Industrial Training Authority	433,000	433,000
Parim Enterprises	150,000	150,000
Sportsmans Arms Hotel	392,400	392,400
Debra Limited	29,684	29,684
Garissa Orthopaedic Services	137,100	137,100
Gateway Prosthetics & Orthotics Ltd	165,000	165,000
Imperial Link Group (K) Ltd	99,724	99,724
Kirendu Investment Ltd	495,000	495,000
Octopub Investment Ltd	515,000	515,000
Roywatt Investments	639,624	639,624
Sunbeam Computer Systems	886,500	886,500
<b>Total</b>	<b>6,174,562</b>	<b>6,174,562</b>

**22. Provisions**

	2018-2019	2017-2018
	Kshs	Kshs
Provision for audit fees	1,160,000	1,160,000
<b>Total Provision</b>	<b>1,160,000</b>	<b>1,160,000</b>

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**23. Comparison of budget and actual amounts**

**a. Programmes**

The variance of 33% is due to;

- 17,416 Cash Transfer beneficiaries were not paid due to challenges experienced (sharing of caregivers, similar ID numbers, deceased caregivers, beneficiaries registered as caregivers and deceased beneficiaries) during migration of cash transfer beneficiaries from card-based payment model to bank account-based model using four contracted payment service providers. There arrears will be paid in FY2019.20.
- Development quarter four funds was received on 24 June 2019 resulting to under expenditure of Kshs 54.9 million which will be spent in FY2019.20

**b. Actual on Comparable Surplus Reconciliation**

The deficit as per the statement of the financial performance on page one does not tie to that on the statement of comparison of budget and actual amounts on page 5 due to differences in accounting basis (budget is accrual while statement of financial performance is cash basis). The following is reconciliation of the two amounts:

	2018-2019
	Kshs
Surplus as per Statement of Financial Performance	297,251,828
Add: Funds B/forward	276,208,670
Surplus as per statement of comparison of budget and actual amounts	<b>573,460,498</b>

**24. Related Party disclosures**

Key management personnel as per management team on pages x to xiii

The total remuneration of members of the Council and the number of individuals, on a full-time basis receiving remuneration from the entity are:

	2018-2019	2017-2018
	Kshs	Kshs
Total Remuneration	<b>29,256,471</b>	<b>28,099,726</b>
Number of persons	15	15

	2018-2019	2017-2018
	Kshs	Kshs
Revenue from Government of Kenya through the Ministry of Labour and Social Protection	<b>1,691,770,600</b>	<b>1,217,692,000</b>

**25. Financial Risk Management Disclosures**

The Council activities expose it to a variety of financial risks including credit and liquidity risks The Council overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its Performance by setting acceptable levels of risk. The entity does not hedge any risks and has in place.

The entity's financial risk management objectives and policies are detailed below:

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**a. Liquidity Risk**

The Council fully depends on the exchequer for funding. In the event that there are delays in the release of funds by the exchequer, the Council may be exposed to liquidity risk as it will be unable to settle its commitments and meet its Performance Contract Obligations. The Council has embarked on seeking for other donor funds through development of partnerships as a liquidity risk management strategy.

The table below represents cash flows payable as at the reporting date at the carrying balances:

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2019</b>				
Trade Payables	6,174,562	-	-	<b>6,174,562</b>
Provisions	1,160,000	-	-	<b>1,160,000</b>
<b>Total</b>	<b>7,334,562</b>	-	-	<b>7,334,562</b>
<b>At 30 June 2018</b>				
Trade Payables	2,554,149	-	-	<b>2,554,149</b>
Provisions	1,160,000	-	-	<b>1,160,000</b>
<b>Total</b>	<b>3,714,149</b>	-	-	<b>3,714,149</b>

**b. Credit Risk**

The Council is exposed to the risk that a counterparty will be unable to pay amounts in full when due. Council's credit risk arises from cash and cash equivalents, bank balances and receivables. The amounts of receivables presented in the statement of financial position are as estimated by the Council's management based on their experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements that best represents the Council's maximum exposure to credit risk as at 30 June 2019 is made up as follows:

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2019</b>				
Receivables from exchange transactions	34,851,001	9,612,287	25,238,714	
Receivables from non-exchange transactions	14,171	14,171	-	
Staff loan/advance	468,235	468,235	-	
Bank Balances	557,543,161	557,543,161	-	
<b>Total</b>	<b>592,876,568</b>	<b>567,637,854</b>	<b>25,238,714</b>	
<b>At 30 June 2018</b>				
Receivables from exchange transactions	36,244,365	13,266,766	22,977,599	-
Receivables from non-exchange transactions	137,235	137,235	-	
Staff loan/advance	690,400	690,400	-	
Bank balances	242,850,819	242,850,819	-	
<b>Total</b>	<b>279,922,819</b>	<b>256,945,220</b>	<b>22,977,599</b>	-

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**26. Commitments and contingencies**

**Capital commitments**

There were no capital commitments in both 2019 and 2018

**Contingencies**

**Contingent liabilities**

There were no contingent liabilities in both 2019 and 2018

**Contingent assets**

The following listed institutions were issued with grants under infrastructure support and economic empowerment. The institutions have failed to account for the funds resulting for the Council to file for complaints with respective County Criminal Investigation offices for criminal prosecution.

Institution	2018-2019	2017-2018	Action taken
	Kshs	Kshs	
Austim Society of Kenya	3,104,000	3,104,000	Complaint filed with Nairobi County Criminal Investigation Office. Investigations are ongoing.
Kenya Paraplegic Organisation	6,304,085	6,304,085	Complaint filed with Nairobi County Criminal Investigation Office. Investigations are ongoing.
Ogilge Bomet Physically Handicapped Group	420,000	420,000	Council officers have recorded statements at Bomet CID offices. Investigations are ongoing.
Molo Town Disabled Self Help Group	168,820	429,000	An agreement was reached between Court, Council and the Self-help group to pay Khs 457,000. The group has so far paid Kshs 288,180.
International Non-Governmental Organisation	2,000,000	2,000,000	Complaint filed with Mombasa County Criminal Investigation Office. Investigations are ongoing.
<b>Total</b>	<b>11,996,905</b>	<b>12,257,085</b>	

**27. Inventories**

The Council closed the year with consumable stocks amounting to Kshs. 2,141,018 as at 30th June 2019 being stationery and toners which were all consumed in July and August 2019.

**28. Ultimate and Holding Entity**

National Council for Persons with Disabilities is a State Corporation under the Ministry of Labour and Social Protection. Its ultimate parent is the Government of Kenya.

**29. Comparative figures**

The comparative figures are the Prior year figures for the year ended 30 June 2018.

**30. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XX. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Refund due from Postal Corporation of Kenya	Postal Corporation made a commitment through a letter dated 25 <sup>th</sup> January 2017 to refund the Kshs 28,722,000 owed in 10 equal instalments, two instalments of Kshs 5,744,400 was received and Kshs 5,564,851 recovered from EMS services rendered	P. Chebii – Legal officer	Partly Resolved; The Council to follow up for the balance of Kshs. 17,412,749.	

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



Hon. Mohammed Hussein Gabbow  
 Executive Director

Date: 26/3/20



Mr. Peter Muchiri  
 Chairman

Date: 26/3/2020

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XXI. APPENDIX 1: INTER-ENTITY TRANSFERS**

<b>ENTITY NAME:</b>		<b>NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES</b>		
<b>Break down of Transfers from the State Department for Social Protection</b>				
<b>FY 2018/19</b>				
<b>a.</b>	<b>Recurrent Grants</b>			
		<b>Bank Statement Date</b>	<b>Amount (Kshs)</b>	<b>Financial Year</b>
		15-09-2018	364,992,000	2018/19
		09-11-2018	337,918,360	2018/19
		20-03-2019	339,992,500	2018/19
		28-05-2019	389,867,740	2018/19
		<b>Total</b>	<b>1,432,770,600</b>	
<b>b.</b>	<b>Development Grants</b>			
		<b>Bank Statement Date</b>	<b>Amount (Kshs)</b>	<b>Financial Year</b>
		27-02-2019	64,750,000	2018/19
		21-05-2019	129,500,000	2018/19
		24-06-2019	64,750,000	2018/19

The above amounts have been communicated to and reconciled with the Head of Accounting Unit, Ministry of Labour and Social Protection through letter Ref. No. NCPWD/FIN/05 VOL X (929) dated 17 July 2019.

**NATIONAL COUNCIL FOR PERSONS WITH DISABILITIES**  
**Annual Report & Financial Statements FY 2018/2019**

**XXII. APPENDIX 2: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Name of the MDA/Donor Transferring the funds	Date received	Nature: Recurrent/ Development/ Others	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
	as per bank statement			Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Labour and Social Protection	27-04-2018	Recurrent	1,432,770,600	1,432,770,600	-	-	-	-	1,432,770,600
Ministry of Labour and Social Protection	23-02-2018	Development	259,000,000	259,000,000	-	-	-	-	259,000,000
<b>Total</b>			<b>1,691,770,600</b>	<b>1,691,770,600</b>	-	-	-	-	<b>1,691,770,600</b>



---

*Skin cancer screening and early intervention of skin cancer for Persons with Albinism under the Albinism Support Program*

---



---

*Provision of Mobility aids under the Assistive Devices support programme*

---

---

*Procession during the International Albinism Awareness day, 2019 at Kakamega County*

---



